

By: Eissler, Hochberg, Keffer, Dutton,
et al.

H.B. No. 3

Substitute the following for H.B. No. 3:

By: Hochberg

C.S.H.B. No. 3

A BILL TO BE ENTITLED

1 AN ACT
2 relating to public school accountability, curriculum, and
3 promotion requirements.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Sections 7.056(e) and (f), Education Code, are
6 amended to read as follows:

7 (e) Except as provided by Subsection (f), a school campus or
8 district may not receive an exemption or waiver under this section
9 from:

10 (1) a prohibition on conduct that constitutes a
11 criminal offense;

12 (2) a requirement imposed by federal law or rule,
13 including a requirement for special education or bilingual
14 education programs; or

15 (3) a requirement, restriction, or prohibition
16 relating to:

17 (A) essential knowledge or skills under Section
18 28.002 or high school [~~minimum~~] graduation requirements under
19 Section 28.025;

20 (B) public school accountability as provided by
21 Subchapters B, C, D, E, and J [~~E~~], Chapter 39;

22 (C) extracurricular activities under Section
23 33.081 or participation in a University Interscholastic League
24 area, regional, or state competition under Section 33.0812;

- 1 (D) health and safety under Chapter 38;
- 2 (E) purchasing under Subchapter B, Chapter 44;
- 3 (F) elementary school class size limits, except
- 4 as provided by Section 25.112;
- 5 (G) removal of a disruptive student from the
- 6 classroom under Subchapter A, Chapter 37;
- 7 (H) at-risk programs under Subchapter C, Chapter
- 8 29;
- 9 (I) prekindergarten programs under Subchapter E,
- 10 Chapter 29;
- 11 (J) educator rights and benefits under
- 12 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
- 13 A, Chapter 22;
- 14 (K) special education programs under Subchapter
- 15 A, Chapter 29;
- 16 (L) bilingual education programs under
- 17 Subchapter B, Chapter 29; or
- 18 (M) the requirements for the first day of
- 19 instruction under Section 25.0811.

20 (f) A school district or campus that is required to develop
21 and implement a student achievement improvement plan under Section
22 39.102 [~~39.131~~] or 39.103 [~~39.132~~] may receive an exemption or
23 waiver under this section from any law or rule other than:

- 24 (1) a prohibition on conduct that constitutes a
- 25 criminal offense;
- 26 (2) a requirement imposed by federal law or rule;
- 27 (3) a requirement, restriction, or prohibition

1 imposed by state law or rule relating to:

2 (A) public school accountability as provided by
3 Subchapters B, C, D, E, and J [~~G~~], Chapter 39; or

4 (B) educator rights and benefits under
5 Subchapters A, C, D, E, F, G, and I, Chapter 21, or under Subchapter
6 A, Chapter 22; or

7 (4) textbook selection under Chapter 31.

8 SECTION 2. Section 11.203(d), Education Code, is amended to
9 read as follows:

10 (d) A principal who was employed as a principal at a campus
11 that was [of a campus] rated academically unacceptable during the
12 preceding school year [as well as any person employed to replace
13 that principal], shall participate in the program and complete the
14 program requirements not later than a date determined by the
15 commissioner.

16 SECTION 3. Section 12.104(b), Education Code, is amended to
17 read as follows:

18 (b) An open-enrollment charter school is subject to:

19 (1) a provision of this title establishing a criminal
20 offense; and

21 (2) a prohibition, restriction, or requirement, as
22 applicable, imposed by this title or a rule adopted under this
23 title, relating to:

24 (A) the Public Education Information Management
25 System (PEIMS) to the extent necessary to monitor compliance with
26 this subchapter as determined by the commissioner;

27 (B) criminal history records under Subchapter C,

1 Chapter 22;

2 (C) reading instruments and accelerated reading
3 instruction programs under Section 28.006;

4 (D) [~~satisfactory performance on assessment~~
5 ~~instruments and to~~] accelerated instruction under Section 28.0211;

6 (E) high school graduation requirements under
7 Section 28.025;

8 (F) special education programs under Subchapter
9 A, Chapter 29;

10 (G) bilingual education under Subchapter B,
11 Chapter 29;

12 (H) prekindergarten programs under Subchapter E,
13 Chapter 29;

14 (I) extracurricular activities under Section
15 33.081;

16 (J) discipline management practices or behavior
17 management techniques under Section 37.0021;

18 (K) health and safety under Chapter 38;

19 (L) public school accountability under
20 Subchapters B, C, D, E, and J [~~G~~], Chapter 39;

21 (M) the requirement under Section 21.006 to
22 report an educator's misconduct; and

23 (N) intensive programs of instruction under
24 Section 28.0213.

25 SECTION 4. Section 28.002, Education Code, is amended by
26 adding Subsections (c-1) and (c-2) to read as follows:

27 (c-1) The State Board of Education shall adopt rules to

1 allow courses offered in the foundation curriculum or the
2 enrichment curriculum to simultaneously satisfy, to the extent
3 practicable, more than one required credit for the minimum,
4 recommended, or advanced high school program in which the student
5 is participating.

6 (c-2) The State Board of Education shall adopt rules to
7 authorize each school district to implement a program under which
8 students in middle or junior high school may earn credits toward
9 high school graduation in middle or junior high school for any
10 course determined by board rule to qualify as a high school
11 equivalent course.

12 SECTION 5. The heading to Section 28.0211, Education Code,
13 is amended to read as follows:

14 Sec. 28.0211. STUDENT ADVANCEMENT DETERMINATION;
15 [SATISFACTORY] PERFORMANCE ON ASSESSMENT INSTRUMENTS [REQUIRED];
16 ACCELERATED INSTRUCTION.

17 SECTION 6. Section 28.0211, Education Code, is amended by
18 amending Subsections (a), (b), (c), (d), (e), (f), (g), and (i) and
19 adding Subsections (d-1), (d-2), and (d-3) to read as follows:

20 (a) Not later than the first day of the school year, a school
21 district shall determine the requirements for student advancement
22 from one grade level to the next. In determining whether a student
23 may be promoted to the next grade level, the district shall
24 consider:

- 25 (1) the recommendation of the student's teacher;
26 (2) the student's grade in each subject or course;
27 (3) the student's score on an assessment instrument

1 administered under Section 39.023(a), (b), or (1); and

2 (4) any other necessary information, as determined by
3 the district. [~~Except as provided by Subsection (b) or (c), a~~
4 student may not be promoted to:

5 [~~(1) the fourth grade program to which the student~~
6 would otherwise be assigned if the student does not perform
7 satisfactorily on the third grade reading assessment instrument
8 under Section 39.023;

9 [~~(2) the sixth grade program to which the student~~
10 would otherwise be assigned if the student does not perform
11 satisfactorily on the fifth grade mathematics and reading
12 assessment instruments under Section 39.023; or

13 [~~(3) the ninth grade program to which the student~~
14 would otherwise be assigned if the student does not perform
15 satisfactorily on the eighth grade mathematics and reading
16 assessment instruments under Section 39.023.]

17 (b) A school district shall provide to a student who
18 initially fails to perform satisfactorily on the third grade
19 reading assessment instrument, the fifth grade mathematics and
20 reading assessment instruments, or the eighth grade mathematics and
21 reading assessment instruments under Section 39.023 an [assessment
22 instrument specified under Subsection (a) at least two] additional
23 opportunity [opportunities] to take the assessment instrument. [~~A~~
24 ~~school district may administer an alternate assessment instrument~~
25 ~~to a student who has failed an assessment instrument specified~~
26 ~~under Subsection (a) on the previous two opportunities.~~
27 ~~Notwithstanding any other provision of this section, a student may~~

1 ~~be promoted if the student performs at grade level on an alternate~~
2 ~~assessment instrument under this subsection that is appropriate for~~
3 ~~the student's grade level and approved by the commissioner.]~~

4 (c) If ~~[Each time]~~ a student fails to perform satisfactorily
5 on an assessment instrument specified under Subsection (b) ~~[(a)]~~,
6 the school district ~~[in which the student attends school]~~ shall
7 ~~[provide to the student accelerated instruction in the applicable~~
8 ~~subject area, including reading instruction for a student who fails~~
9 ~~to perform satisfactorily on a reading assessment instrument.~~

10 ~~After a student fails to perform satisfactorily on an assessment~~
11 ~~instrument a second time, a grade placement committee shall be~~
12 ~~established to] prescribe [the] accelerated instruction for [the~~
13 ~~district shall provide to] the student [before the student is~~
14 ~~administered the assessment instrument the third time. The grade~~
15 ~~placement committee shall be composed of the principal or the~~
16 ~~principal's designee, the student's parent or guardian, and the~~
17 ~~teacher of the subject of an assessment instrument on which the~~
18 ~~student failed to perform satisfactorily. The district shall~~
19 ~~notify the parent or guardian of the time and place for convening~~
20 ~~the grade placement committee and the purpose of the committee].~~

21 The accelerated instruction program provided under this subsection
22 must be systematic and may not be based solely on assessment
23 instrument practice skills and:

24 (1) must provide for instruction in the applicable
25 subject area;

26 (2) must be developed in consultation with the
27 student's parent or guardian; and

1 (3) [~~An accelerated instruction group administered by~~
2 ~~a school district under this section~~] may not have a ratio of more
3 than 10 students for each teacher in an accelerated instruction
4 group.

5 (d) In addition to providing accelerated instruction to a
6 student under Subsection (c), the school district shall notify the
7 student's parent or guardian of:

8 (1) the information collected under Subsection (a),
9 including if applicable, the student's failure to perform
10 satisfactorily on the assessment instrument;

11 (2) the accelerated instruction program to which the
12 student is assigned; [~~and~~]

13 (3) the possibility that the student might be retained
14 at the same grade level for the next school year;

15 (4) the areas requiring improvement for the student to
16 meet the requirements for advancement from one grade level to the
17 next as determined by the district under Subsection (a); and

18 (5) any other applicable information as determined by
19 the district.

20 (d-1) A school district shall make information provided to a
21 parent or guardian under Subsections (d)(1), (4), and (5) available
22 to the student's current teacher and the student's teacher in the
23 next grade level.

24 (d-2) If a student fails to meet the requirements for
25 student advancement from grade level three, five, or eight
26 determined by a school district under Subsection (a), the district
27 shall establish a grade placement committee for the student

1 composed of the principal or the principal's designee, the
2 student's parent or guardian, and one of the student's teachers. If
3 the student has failed to perform satisfactorily on an assessment
4 instrument administered under Section 39.023(a), (b), or (1), the
5 teacher serving on the committee must be the student's teacher for
6 the subject of an assessment instrument on which the student failed
7 to perform satisfactorily. The grade placement committee shall
8 make a determination that the student be:

9 (1) retained at the same grade level for the next
10 school year; or

11 (2) placed in the next grade level with accelerated
12 instruction as provided under Subsection (c).

13 (d-3) A student who fails to participate in an accelerated
14 instruction program developed under Subsection (c)(1) may not be
15 promoted to the next grade level program to which the student would
16 otherwise be assigned if the student does not perform
17 satisfactorily on the applicable assessment instrument specified
18 under Subsection (b).

19 (e) A ~~student who, after at least three attempts, fails to~~
20 ~~perform satisfactorily on an assessment instrument specified under~~
21 ~~Subsection (a) shall be retained at the same grade level for the~~
22 ~~next school year in accordance with Subsection (a). The] student's~~
23 parent or guardian may ~~appeal the student's retention by~~
24 ~~submitting a] request that ~~to~~ the grade placement committee~~
25 ~~reconsider the committee's decision under Subsection (d-2) to~~
26 ~~retain the student ~~established under Subsection (c)].~~ The school~~
27 district shall give the parent or guardian written notice of the

1 opportunity to request reconsideration [~~appeal. The grade~~
2 ~~placement committee may decide in favor of a student's promotion~~
3 ~~only if the committee concludes, using standards adopted by the~~
4 ~~board of trustees, that if promoted and given accelerated~~
5 ~~instruction, the student is likely to perform at grade level]. A~~
6 student may not be promoted on the basis of the grade placement
7 committee's decision under this subsection unless that decision is
8 unanimous. The commissioner by rule shall establish a time line for
9 making the placement determination. This subsection does not
10 create a property interest in promotion. The decision of the grade
11 placement committee under this subsection is final and may not be
12 appealed.

13 (f) An accelerated instruction program under Subsection (c)
14 [~~A school district shall provide to a student who, after three~~
15 ~~attempts, has failed to perform satisfactorily on an assessment~~
16 ~~instrument specified under Subsection (a) accelerated instruction~~
17 ~~during the next school year as prescribed by an educational plan~~
18 ~~developed for the student by the student's grade placement~~
19 ~~committee established under Subsection (c). The district shall~~
20 ~~provide that accelerated instruction regardless of whether the~~
21 ~~student has been promoted or retained. The educational plan]~~ must
22 be designed to enable the student to perform at the appropriate
23 grade level by the conclusion of the school year. During the school
24 year, the student shall be monitored to ensure that the student is
25 progressing in accordance with the program [~~plan~~]. The district
26 shall administer to the student the assessment instrument for the
27 grade level in which the student is placed at the time the district

1 regularly administers the assessment instruments for that school
2 year.

3 (g) This section does not preclude the retention at a grade
4 level, in accordance with state law or school district policy, of a
5 student who performs satisfactorily on an assessment instrument
6 administered ~~[specified]~~ under Section 39.023 ~~[Subsection (a)]~~.

7 (i) The admission, review, and dismissal committee of a
8 student who participates in a district's special education program
9 under Subchapter B, Chapter 29, and who does not perform
10 satisfactorily on a mathematics or reading ~~[an]~~ assessment
11 instrument ~~[specified under Subsection (a) and]~~ administered under
12 Section 39.023(a) or (b) shall determine:

13 (1) the manner in which the student will participate
14 in an accelerated instruction program under this section; and

15 (2) whether the student will be promoted or retained
16 under this section.

17 SECTION 7. Section 28.025, Education Code, is amended by
18 amending Subsections (a), (b), (b-1), and (b-2) and adding
19 Subsections (b-3), (b-4), and (b-5) to read as follows:

20 (a) The State Board of Education by rule shall determine
21 curriculum requirements for the minimum, recommended, and advanced
22 high school programs that are consistent with the required
23 curriculum under Section 28.002. Subject to Subsection (b-1), the
24 State Board of Education shall designate the specific courses in
25 the foundation curriculum required for a student participating in
26 the minimum, recommended, or advanced high school program. Except
27 as provided by Subsection (b-1), the State Board of Education may

1 not designate a specific course or a specific number of credits in
2 the enrichment curriculum as requirements for the recommended
3 program.

4 (b) A school district shall ensure that each student enrolls
5 in the courses necessary to complete the curriculum requirements
6 identified by the State Board of Education under Subsection (a) for
7 the recommended or advanced high school program unless the student,
8 the student's parent or other person standing in parental relation
9 to the student, and a school counselor or school administrator
10 agree that the student should be permitted to take courses under the
11 minimum high school program and the student:

12 (1) is at least 16 years of age;

13 (2) has completed the credits necessary for the tenth
14 grade under the recommended or advanced high school program; or

15 (3) has failed to be promoted to the tenth grade one or
16 more times.

17 (b-1) The State Board of Education by rule shall require
18 that:

19 (1) except as provided by Subsection (b-2), the
20 curriculum requirements for the recommended and advanced high
21 school programs under Subsection (a) include a requirement that
22 students successfully complete:

23 (A) four credits [~~courses~~] in each subject of the
24 foundation curriculum under Section 28.002(a)(1), including at
25 least one-half credit in government and at least one-half credit in
26 economics to meet the social studies requirement;

27 (B) two credits in the same language in a

1 language other than English under Section 28.002(a)(2)(A); and

2 (C) eight elective credits; and

3 (2) one or more credits [~~courses~~] offered in the
4 required curriculum for the recommended and advanced high school
5 programs include a research writing component.

6 (b-2) Notwithstanding any other provision of this section,
7 ~~[In adopting rules under Subsection (b-1), the State Board of~~
8 ~~Education shall allow]~~ a student may [~~to~~] comply with the
9 curriculum requirements under the minimum, recommended, or
10 advanced program for a mathematics course [~~under Subsection~~
11 ~~(b-1)(1) taken after the successful completion of an Algebra II~~
12 ~~course]~~ or science course [~~under Subsection (b-1)(1) taken after~~
13 ~~the successful completion of a physics course]~~ by successfully
14 completing a [an advanced] career and technical course approved for
15 that purpose [~~designated~~] by the State Board of Education under
16 Section 28.027 [~~as containing substantively similar and rigorous~~
17 ~~academic content. A student may use the option provided by this~~
18 ~~subsection for not more than two courses]~~. A student's
19 substitution of a career and technical course under this subsection
20 does not affect requirements relating to end-of-course assessment
21 instruments otherwise applicable to the student under Sections
22 39.023(c) and 39.025, and the student must comply with those
23 requirements in the same manner as if the course substitution had
24 not occurred.

25 (b-3) In adopting rules to provide students with the option
26 described by Subsection (b-1)(1), the State Board of Education must
27 approve a variety of mathematics and science courses that may be

1 taken by a student after completion of Algebra II and physics to
2 comply with the recommended program requirements. The board may
3 not limit the courses approved for that purpose.

4 (b-4) Before a student's parent or other person standing in
5 parental relation to the student may agree that the student be
6 permitted to take courses under the minimum high school program as
7 provided by Subsection (b), a school district must provide written
8 notice to the parent or person standing in parental relation
9 explaining the benefits of the recommended high school program.
10 The notice shall be developed by the agency and must:

11 (1) be printed in English and Spanish; and

12 (2) require that the student's parent or person
13 standing in parental relation to the student sign a confirmation of
14 receipt and return the confirmation to the student's campus.

15 (b-5) Notwithstanding Section 5.09, Chapter 5 (H.B. 1),
16 79th Legislature, 3rd Called Session, 2006, the curriculum
17 requirements for the recommended and advanced high school programs
18 under Subsection (b-1) apply to students entering the ninth grade
19 beginning with the 2011-2012 school year. This subsection expires
20 September 1, 2015.

21 SECTION 8. Section 28.0252(b), Education Code, is amended
22 to read as follows:

23 (b) If the commissioner develops a standard method under
24 this section, a school district shall use the standard method to
25 compute a student's high school grade point average[, ~~except that~~
26 ~~to the extent of a conflict between that method and the method~~
27 ~~adopted under Section 51.807, the student's grade point average~~

1 ~~computed in accordance with the method established under Section~~
2 ~~51.807 shall be used in determining the student's eligibility for~~
3 ~~university admission under Subchapter U, Chapter 51].~~

4 SECTION 9. Subchapter B, Chapter 28, Education Code, is
5 amended by adding Section 28.027 to read as follows:

6 Sec. 28.027. CAREER AND TECHNICAL COURSES. (a) In
7 accordance with rules adopted by the State Board of Education, a
8 school district may seek approval from the board to offer one or
9 more career and technical courses, including career and technical
10 courses offered as alternatives to mathematics or science courses
11 otherwise required under the minimum, recommended, or advanced high
12 school program.

13 (b) A school district seeking approval to offer a course
14 under this section must submit an application for approval not
15 later than January 1 of the year preceding the first school year
16 that the district proposes to offer the course. The application
17 must include:

18 (1) a detailed description of the course, the
19 curriculum, the instructional materials, and any required
20 equipment; and

21 (2) any other information required by the board.

22 (c) The board shall evaluate each application and
23 associated information. If the board does not take action
24 approving or denying an application on or before the 180th day after
25 the date the district submitted the application and all associated
26 information, the application is considered approved.

27 (d) Approval of a course obtained under this section is

1 effective for a period of three school years immediately following
2 the date of approval. Subsequently, any district may seek renewed
3 approval of the course for an additional three-year period in
4 accordance with procedures established by the board. There is no
5 limit on the number of three-year periods for which approval of a
6 course may be renewed.

7 (e) Any district in this state may offer a course approved
8 under this section.

9 (f) Section 7.102(f) does not apply to a rule adopted by the
10 board under this section.

11 SECTION 10. Section 29.094(c), Education Code, is amended
12 to read as follows:

13 (c) A campus may apply to the commissioner to participate in
14 the pilot program. The commissioner may select for participation
15 in the pilot program only campuses that have failed to improve
16 student performance in reading according to standards established
17 by the commissioner. The standards established by the commissioner
18 for purposes of this subsection must be based on reading
19 performance standards considered [~~required~~] for student promotion
20 under Section 28.0211.

21 SECTION 11. Section 29.904(d), Education Code, is amended
22 to read as follows:

23 (d) A plan developed under this section:

24 (1) must establish clear, achievable goals for
25 increasing the percentage of the school district's graduating
26 seniors, particularly the graduating seniors attending a high
27 school described by Subsection (a), who enroll in an institution of

1 higher education for the academic year following graduation;

2 (2) must establish an accurate method of measuring
3 progress toward the goals established under Subdivision (1) that
4 may include the percentage of district high school students and the
5 percentage of students attending a district high school described
6 by Subsection (a) who:

7 (A) are enrolled in a course for which a student
8 may earn college credit, such as an advanced placement or
9 international baccalaureate course or a course offered through
10 concurrent enrollment in high school and at an institution of
11 higher education;

12 (B) are enrolled in courses that meet the
13 curriculum requirements for the recommended or advanced high school
14 program as determined under Section 28.025;

15 (C) have submitted a free application for federal
16 student aid (FAFSA);

17 (D) are exempt under Section 51.3062(p) or (q)
18 [~~51.306(1) or (m)~~] from administration of an assessment [~~a test~~]
19 instrument under Section 51.3062 [~~51.306~~] or have performed
20 successfully on an assessment [~~a test~~] instrument under Section
21 51.3062 [~~51.306~~];

22 (E) graduate from high school;

23 (F) graduate from an institution of higher
24 education; and

25 (G) have taken college entrance examinations and
26 the average score of those students on the examinations;

27 (3) must cover a period of at least five years; and

1 (4) may be directed at district students at any level
2 of primary or secondary education.

3 SECTION 12. Section 32.252(b), Education Code, is amended
4 to read as follows:

5 (b) The portal must serve as a single point of access to
6 educational resources other than student assessment data
7 accessible through the student assessment data portal under Section
8 32.258. In addition to any other purpose specified by this
9 subchapter or any other educational purpose, the portal may be used
10 to:

11 (1) alleviate inequities in access to educational
12 resources by providing access to on-line courses;

13 (2) improve student academic performance by providing
14 access to tutorial materials, instructional materials that have
15 been shown to improve academic performance, and other interactive
16 materials, including materials that assess an individual student's
17 knowledge and prepare the student for the administration of a
18 standardized assessment instrument, including an assessment
19 instrument administered under Section 39.023;

20 (3) provide school districts with access to
21 administrative software and other electronic tools designed to
22 promote administrative efficiency and intra-district
23 communication; or

24 (4) [~~provide secure access to student assessment data,~~
25 ~~or~~

26 [~~5~~] provide links to appropriate educational
27 resources and experts available through the Internet.

1 SECTION 13. Section 32.258, Education Code, is amended to
2 read as follows:

3 Sec. 32.258. STUDENT ASSESSMENT DATA; DATA PORTAL. (a) The
4 agency shall establish and maintain a student assessment data
5 portal for use by school districts, teachers, parents, students,
6 and public institutions of higher education. The agency shall
7 ~~may~~ establish a secure, interoperable system to be implemented
8 through the portal under which:

9 (1) a student or the student's parent or other person
10 standing in parental relationship can easily access the student's
11 individual assessment data;

12 (2) an authorized employee of a school district,
13 including a district teacher, [~~districts~~] can readily access
14 individual [~~student~~] assessment data of district students for use
15 in developing strategies for improving student performance; and

16 (3) an authorized employee of a public institution of
17 higher education can access appropriate student data.

18 (b) The system established under Subsection (a) shall
19 provide a means for a student or the student's parent or other
20 person standing in parental relationship to track the student's
21 progress on assessment instrument requirements for graduation.

22 (c) The agency shall establish an interoperable system to be
23 implemented through the portal under which general student
24 assessment data is easily accessible to the public.

25 (d) Student assessment data provided under this section
26 must:

27 (1) include student performance data on assessment

1 instruments over multiple years, beginning with the 2007-2008
2 school year, including any data indicating progress in student
3 achievement; and

4 (2) be updated before the beginning of each school
5 year to include current student assessment data.

6 (e) Each [(b) In establishing the] system established
7 under [required by] this section must permit comparisons of [the
8 agency shall seek to further the goal of providing school districts
9 with access to] student performance information at the classroom,
10 campus, district, and state levels [level].

11 SECTION 14. Chapter 39, Education Code, is amended by
12 adding Subchapter A to read as follows:

13 SUBCHAPTER A. GENERAL PROVISIONS

14 Sec. 39.001. RULEMAKING AUTHORITY. The commissioner may
15 adopt rules as necessary to administer this chapter.

16 SECTION 15. Section 39.023, Education Code, is amended by
17 adding Subsection (a-1) and amending Subsections (c-4), (e), and
18 (l) to read as follows:

19 (a-1) The agency shall develop assessment instruments
20 required under Subsection (a) in a manner that allows, to the extent
21 practicable:

22 (1) the score a student receives to provide reliable
23 information relating to a student's satisfactory performance for
24 each performance standard, as determined under Section 39.0241; and

25 (2) an appropriate range of performances to serve as a
26 valid indication of growth in student achievement.

27 (c-4) To the extent practicable and subject to Section

1 39.024, the agency shall ensure that each end-of-course assessment
2 instrument adopted under Subsection (c) is:

3 (1) developed in a manner that measures a student's
4 performance under the college readiness standards established
5 under Section 28.008; and

6 (2) validated by national postsecondary education
7 experts for college readiness content and performance standards.

8 (e) Under rules adopted by the State Board of Education,
9 every third year, the agency shall release the questions and answer
10 keys to each assessment instrument administered under Subsection
11 (a), (b), (c), (d), or (1), excluding any assessment instrument
12 administered to a student for the purpose of retaking the
13 assessment instrument, after the last time the instrument is
14 administered for that school year. To ensure a valid bank of
15 questions for use each year, the agency is not required to release a
16 question that is being field-tested and was not used to compute the
17 student's score on the instrument. The agency shall also release,
18 under board rule, each question that is no longer being
19 field-tested and that was not used to compute a student's score.

20 (1) The State Board of Education shall adopt rules for the
21 administration of the assessment instruments adopted under
22 Subsection (a) in Spanish to students in grades three through five
23 [~~six~~] who are of limited English proficiency, as defined by Section
24 29.052, whose primary language is Spanish, and who are not
25 otherwise exempt from the administration of an assessment
26 instrument under Section 39.027(a)(3) or (4). Each student of
27 limited English proficiency whose primary language is Spanish,

1 other than a student to whom Subsection (b) applies, may be assessed
2 using assessment instruments in Spanish under this subsection for
3 up to three years or assessment instruments in English under
4 Subsection (a). The language proficiency assessment committee
5 established under Section 29.063 shall determine which students are
6 administered assessment instruments in Spanish under this
7 subsection.

8 SECTION 16. Section 39.0233(d), Education Code, is amended
9 to read as follows:

10 (d) The questions adopted under this section may not ~~[must]~~
11 be administered in a separate section of the end-of-course
12 assessment instrument ~~[in which the questions are included]~~.

13 SECTION 17. Subchapter B, Chapter 39, Education Code, is
14 amended by amending Section 39.024 and adding Sections 39.0241 and
15 39.0242 to read as follows:

16 Sec. 39.024. MEASURE OF COLLEGE READINESS. (a) In this
17 section, "college readiness" means the level of preparation a
18 student must attain in English language arts and mathematics
19 courses to enroll and succeed, without remediation, in an
20 entry-level general education course for credit in that same
21 content area for a baccalaureate degree or associate degree program
22 at:

23 (1) a general academic teaching institution, as
24 defined by Section 61.003, other than a research institution, as
25 categorized under the Texas Higher Education Coordinating Board's
26 accountability system; or

27 (2) a postsecondary educational institution that

1 primarily offers associate degrees or certificates or credentials
2 other than baccalaureate or advanced degrees.

3 (b) The agency shall ensure that the Algebra II and English
4 III end-of-course assessment instruments required under Section
5 39.023(c) are developed to be capable of, beginning with the
6 2011-2012 school year, measuring college readiness.

7 (c) Before the beginning of the 2012-2013 school year, the
8 agency shall gather data and conduct research studies to
9 substantiate the correlation between a certain level of performance
10 by students on the Algebra II and English III end-of-course
11 assessment instruments and college readiness.

12 (d) Studies under Subsection (c) must include an evaluation
13 of any need for remediation courses to facilitate college
14 readiness.

15 (e) Based on the results of the studies conducted under
16 Subsection (c), the commissioner of education, in conjunction with
17 the commissioner of higher education, shall establish student
18 performance standards for the Algebra II and English III
19 end-of-course assessment instruments indicating that students have
20 attained college readiness.

21 (f) To the extent practicable, the agency shall conduct
22 research studies similar to the studies conducted under Subsection
23 (c) for the appropriate science and social studies end-of-course
24 assessment instruments.

25 (f-1) Not later than December 1, 2012, the agency shall
26 deliver to the lieutenant governor, the speaker of the house of
27 representatives, and the clerks of the standing committees of the

1 senate and the house of representatives with primary jurisdiction
2 over public education a report that includes:

3 (1) an analysis of the feasibility of establishing
4 college readiness performance standards for science and social
5 studies end-of-course assessment instruments; and

6 (2) if feasible, recommendations for implementing
7 each standard.

8 (f-2) Subsection (f-1) and this subsection expire January
9 1, 2013.

10 (g) The agency shall continue to gather data to perform
11 studies as provided under Subsections (c) and (f) at least once
12 every three years.

13 (h) The agency shall periodically review the college
14 readiness performance standards established under this section and
15 compare the performance standards to performance standards
16 established nationally and internationally for comparable
17 assessment instruments. Following each review, the agency shall
18 deliver to the lieutenant governor, the speaker of the house of
19 representatives, and the clerks of the standing committees of the
20 senate and the house of representatives with primary jurisdiction
21 over public education a report on the results of the review
22 indicating whether the college readiness performance standards
23 established under this section are sufficiently rigorous to prepare
24 students in this state to compete academically with students
25 nationally and internationally. If the agency determines that the
26 college readiness performance standards established under this
27 section are not sufficiently rigorous, the agency shall recommend

1 changes to the college readiness performance standards.

2 Sec. 39.0241. SATISFACTORY PERFORMANCE. (a) Except as
3 otherwise provided by Subsection (b) [~~this subsection~~], the
4 commissioner [~~State Board of Education~~] shall determine the level
5 of performance considered to be satisfactory on the assessment
6 instruments.

7 (a-1) Beginning with the 2012-2013 school year,
8 satisfactory performance on English language arts and mathematics
9 assessment instruments for purposes of this chapter means the
10 performance across grade levels necessary to indicate:

11 (1) college readiness, as defined by Section
12 39.024(a), except as modified by Section 39.0242(d); and

13 (2) satisfactory performance as determined by the
14 commissioner under Subsection (a).

15 (a-2) For the purpose of establishing performance across
16 grade levels, the commissioner shall establish:

17 (1) the performance standards for the Algebra II and
18 English III end-of-course assessment instruments, as provided
19 under Section 39.024(b) and under Subsection (a);

20 (2) the performance standards for the Algebra I and
21 English II end-of-course assessment instruments, as determined
22 based on studies under Section 39.0242 that correlate student
23 performance on the Algebra I and English II end-of-course
24 assessment instruments with student performance on the Algebra II
25 and English III assessment instruments;

26 (3) the performance standards for the English I
27 end-of-course assessment instrument, as determined based on

1 studies under Section 39.0242 that correlate student performance on
2 the English I end-of-course assessment instrument with student
3 performance on the English II assessment instrument;

4 (4) the performance standards for the grade eight
5 assessment instruments, as determined based on studies under
6 Section 39.0242 that correlate student performance on the grade
7 eight assessment instruments with student performance on the
8 Algebra I and English I end-of-course assessment instruments in the
9 same content area; and

10 (5) the performance standards on the assessment
11 instruments in each of grades three through seven, as determined
12 based on studies under Section 39.0242 that correlate student
13 performance in the same content area on the assessment instrument
14 for each grade with student performance on the assessment
15 instrument in the succeeding grade.

16 (b) The admission, review, and dismissal committee of a
17 student being assessed under Section 39.023(b) shall determine the
18 level of performance considered to be satisfactory on the
19 assessment instruments administered to that student in accordance
20 with criteria established by agency rule.

21 (c) The agency shall develop study guides for the assessment
22 instruments administered under Sections 39.023(a) and (c). To
23 assist parents in providing assistance during the period that
24 school is recessed for summer, each school district shall make
25 ~~[distribute]~~ the study guides available to parents of students who
26 do not perform satisfactorily as determined by the commissioner
27 under Subsection (a) on one or more parts of an assessment

1 instrument administered under this subchapter.

2 (d) The agency shall develop and make available teacher
3 training materials and other teacher training resources to assist
4 teachers in enabling students of limited English proficiency to
5 meet state performance expectations. The teacher training
6 resources shall be designed to support intensive, individualized,
7 and accelerated instructional programs developed by school
8 districts for students of limited English proficiency.

9 (e) The commissioner shall retain a portion of the total
10 amount of funds allotted under Section 42.152(a) that the
11 commissioner considers appropriate to finance activities under
12 Subsection [~~Subsections~~] (c) and may retain a portion for
13 activities under Subsection (d) and for intensive programs of
14 instruction for students of limited English proficiency offered by
15 school districts and shall reduce each district's allotment
16 proportionately.

17 Sec. 39.0242. SATISFACTORY PERFORMANCE: RESEARCH STUDIES
18 AND IMPLEMENTATION OF STANDARD. (a) During the 2011-2012 school
19 year, the agency shall collect data through:

20 (1) the annual administration of assessment
21 instruments required under Section 39.023(a) in grades three
22 through eight; and

23 (2) the administration to appropriate students
24 throughout the state of an end-of-course assessment instrument
25 field test.

26 (b) Before the beginning of the 2012-2013 school year, the
27 agency shall analyze the data collected under Subsection (a) to

1 substantiate:

2 (1) the correlation between satisfactory student
3 performance for each performance standard under Section 39.0241 on
4 the grade three, four, five, six, or seven assessment instruments
5 with satisfactory performance under the same performance standard
6 on the assessment instruments in the same content area for the next
7 grade level;

8 (2) the correlation between satisfactory student
9 performance for each performance standard under Section 39.0241 on
10 the grade eight assessment instruments with satisfactory
11 performance under the same performance standard on the Algebra I
12 and English I end-of-course assessment instruments in the same
13 content area;

14 (3) the correlation between satisfactory student
15 performance for each performance standard under Section 39.0241 on
16 the English I end-of-course assessment instrument with
17 satisfactory performance under the same performance standard on the
18 English II end-of-course assessment instrument;

19 (4) the correlation between satisfactory student
20 performance for each performance standard under Section 39.0241 on
21 the English II end-of-course assessment instrument with
22 satisfactory performance under the same performance standard on the
23 English III end-of-course assessment instrument; and

24 (5) the correlation between satisfactory student
25 performance for each performance standard under Section 39.0241 on
26 the Algebra I end-of-course assessment instrument with
27 satisfactory performance under the same performance standard on the

1 Algebra II end-of-course assessment instrument.

2 (c) Studies under this section must include an evaluation of
3 any need for remediation courses to facilitate college readiness.

4 (d) Once the level of satisfactory performance for the
5 college readiness performance standard has been established at the
6 level indicating college readiness, the agency shall continue to
7 gather data and perform studies as provided under this section at
8 least once every three years. If the data does not support the
9 correlation between student performance standards and college
10 readiness, the commissioner of education, in conjunction with the
11 commissioner of higher education, shall revise the standard of
12 performance considered to be satisfactory.

13 SECTION 18. Section 39.025, Education Code, is amended by
14 amending Subsections (a), (a-1), (b), (b-2), and (f) and adding
15 Subsection (c-1) to read as follows:

16 (a) The commissioner shall adopt rules requiring a student
17 participating in the minimum, recommended, or advanced high school
18 program to be administered each end-of-course assessment
19 instrument listed in Section 39.023(c) [~~and requiring a student~~
20 ~~participating in the minimum high school program to be administered~~
21 ~~an end-of-course assessment instrument listed in Section~~
22 ~~39.023(c)] only for courses [a course] in which the student is~~
23 enrolled and for which an end-of-course assessment instrument is
24 administered. Except as provided under Subsection (a-1), a student
25 participating in the minimum high school program must perform
26 satisfactorily, as determined by the commissioner under Section
27 39.0241(a), on the Algebra I and English III end-of-course

1 assessment instruments and a student participating in the
2 recommended or advanced high school program must perform
3 satisfactorily, as determined by the commissioner under Section
4 39.0241(a), on the Algebra II and English III end-of-course
5 assessment instruments. [~~A student is required to achieve, in each~~
6 ~~subject in the foundation curriculum under Section 28.002(a)(1), a~~
7 ~~cumulative score that is at least equal to the product of the number~~
8 ~~of end-of-course assessment instruments administered to the~~
9 ~~student in that subject and 70, with each end-of-course assessment~~
10 ~~instrument scored on a scale of 100. A student must achieve a score~~
11 ~~of at least 60 on an end-of-course assessment instrument for the~~
12 ~~score to count towards the student's cumulative score. For~~
13 ~~purposes of this subsection, a student's cumulative score is~~
14 ~~determined using the student's highest score on each end-of-course~~
15 ~~assessment instrument administered to the student.] A student may
16 not receive a high school diploma until the student has performed
17 satisfactorily on the end-of-course assessment instruments in the
18 manner provided under this subsection. [~~This subsection does not~~
19 ~~require a student to demonstrate readiness to enroll in an~~
20 ~~institution of higher education.]~~~~

21 (a-1) The commissioner by rule shall determine a method by
22 which a student's satisfactory performance on an advanced placement
23 test, international baccalaureate examination, a Scholastic
24 Assessment Test (SAT) Subject Test, or another assessment
25 instrument determined by the commissioner to be at least as
26 rigorous as an end-of-course assessment instrument adopted under
27 Section 39.023(c) may be used as a factor in determining whether the

1 student satisfies the requirements of Subsection (a) [~~including~~
2 ~~the cumulative score requirement of that subsection~~].

3 (b) Each time an end-of-course assessment instrument is
4 administered, a student who failed to perform satisfactorily on an
5 [achieve a score of at least 60 on the] assessment instrument
6 required for graduation shall retake the assessment instrument. A
7 student who performs satisfactorily on an Algebra II or English III
8 end-of-course assessment instrument under the performance standard
9 determined by the commissioner under Section 39.0241(a) but who
10 fails to perform satisfactorily under the college readiness
11 performance standard, as determined under Section 39.024, [Any
12 ~~other student]~~ may retake the [an] end-of-course assessment
13 instrument [~~for any reason~~]. A student is not required to retake a
14 course as a condition of retaking an end-of-course assessment
15 instrument.

16 (b-2) The agency, in consultation with the Texas Higher
17 Education Coordinating Board, shall develop senior-level English
18 language arts and mathematics accelerated instruction courses for
19 purposes of this section. If [~~a school district determines that~~] a
20 student does not demonstrate the performance standard for college
21 readiness as provided by Section 39.024 on the Algebra II or English
22 III end-of-course assessment instrument [~~on completion of grade~~
23 ~~11, is unlikely to achieve the cumulative score requirements for~~
24 ~~one or more subjects prescribed by Subsection (a) for receiving a~~
25 ~~high school diploma]~~, the district shall offer [~~require~~]
26 student the opportunity to enroll in a [~~corresponding content-area~~
27 ~~college preparatory]~~ course described by this subsection [~~for which~~

1 ~~an end-of-course assessment instrument has been adopted, if~~
2 ~~available]. A student who enrolls in a [college preparatory]~~
3 ~~course described by this subsection shall be administered the~~
4 ~~appropriate [an] end-of-course assessment instrument [for the~~
5 ~~course, with the end-of-course assessment instrument scored on a~~
6 ~~scale of 40. A student may use the student's score on the~~
7 ~~end-of-course assessment instrument for the college preparatory~~
8 ~~course towards satisfying the cumulative score requirements]~~
9 prescribed by Subsection (a).

10 (c-1) A school district may not administer an assessment
11 instrument required for graduation administered under this section
12 as this section existed before September 1, 1999. A school district
13 may administer to a student who failed to perform satisfactorily on
14 an assessment instrument described by this subsection an alternate
15 assessment instrument designated by the commissioner. The
16 commissioner shall determine the level of performance considered to
17 be satisfactory on an alternate assessment instrument. The
18 district may not administer to the student an assessment instrument
19 or a part of an assessment instrument that assesses a subject that
20 was not assessed in an assessment instrument required for
21 graduation administered under this section as this section existed
22 before September 1, 1999. The commissioner shall make available to
23 districts information necessary to administer the alternate
24 assessment instrument authorized by this subsection. The
25 commissioner's determination regarding designation of an
26 appropriate alternate assessment instrument under this subsection
27 and the performance required on the assessment instrument is final

1 and may not be appealed.

2 (f) The commissioner shall by rule adopt a transition plan
 3 to implement the amendments made by Chapter 1312 (S.B. No. 1031),
 4 Acts of the 80th Legislature, Regular Session, 2007, replacing
 5 general subject assessment instruments administered at the high
 6 school level with end-of-course assessment instruments [~~to this~~
 7 ~~section and Sections 39.023(a) and (c) and 39.051(b)(5)~~]. The
 8 rules must provide for the end-of-course assessment instruments
 9 adopted under Section 39.023(c) to be administered beginning with
 10 students entering the ninth grade during the 2011-2012 school year.
 11 During the period under which the transition to end-of-course
 12 assessment instruments is made:

13 (1) for students entering a grade above the ninth
 14 grade during the 2011-2012 school year, the commissioner shall
 15 retain, administer, and use for purposes of accreditation and other
 16 campus and district accountability measures [~~ratings~~] under this
 17 chapter [~~Subchapter D~~] the assessment instruments required by
 18 Section 39.023(a) or (c), as that section existed before amendment
 19 by Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature,
 20 Regular Session, 2007;

21 (2) a student subject to Subdivision (1) may not
 22 receive a high school diploma unless the student has performed
 23 satisfactorily on each required assessment instrument administered
 24 under Section 39.023(c) as that section existed before amendment by
 25 Chapter 1312 (S.B. No. 1031), Acts of the 80th Legislature, Regular
 26 Session, 2007; and

27 (3) [~~(2)~~] the agency may defer releasing assessment

1 instrument questions and answer keys as required by Section
2 39.023(e) to the extent necessary to develop additional assessment
3 instruments.

4 SECTION 19. Section 39.027, Education Code, is amended by
5 amending Subsections (a) and (e) and adding Subsection (a-1) to
6 read as follows:

7 (a) A student may be exempted from the administration of an
8 assessment instrument under:

9 (1) Section 39.023(a) or (b) if the student is
10 eligible for a special education program under Section 29.003 and
11 the student's individualized education program does not include
12 instruction in the essential knowledge and skills under Section
13 28.002 at any grade level;

14 (2) Section 39.023(c) or (d) if the student is
15 eligible for a special education program under Section 29.003 and:

16 (A) the student's individualized education
17 program does not include instruction in the essential knowledge and
18 skills under Section 28.002 at any grade level; or

19 (B) the assessment instrument, even with
20 allowable modifications, would not provide an appropriate measure
21 of the student's achievement as determined by the student's
22 admission, review, and dismissal committee;

23 (3) Section 39.023(a) or (l) for a period of up to one
24 year after initial enrollment in a school in the United States if
25 the student is of limited English proficiency, as defined by
26 Section 29.052, and has not demonstrated proficiency in English as
27 determined by the assessment system under Subsection (e); [~~or~~]

1 (4) Section 39.023(a) or (l) for a period of up to two
2 years in addition to the exemption period authorized by Subdivision
3 (3) if the student has received an exemption under Subdivision (3)
4 and:

5 (A) is a recent unschooled immigrant; or

6 (B) is in a grade for which no assessment
7 instrument in the primary language of the student is available; or

8 (5) Section 39.023(a), (c), or (l) for a period of up
9 to four years, in addition to the exemption period authorized by
10 Subdivision (3), if the student's initial enrollment in a school in
11 the United States was as an unschooled asylee or refugee.

12 (a-1) For purposes of this section, "unschooled asylee or
13 refugee" means a student who:

14 (1) initially enrolled in a school in the United
15 States as:

16 (A) an asylee as defined by 45 C.F.R. Section
17 400.41; or

18 (B) a refugee as defined by 8 U.S.C. Section
19 1101;

20 (2) has a visa issued by the United States Department
21 of State with a Form I-94 Arrival/Departure record, or a successor
22 document, issued by the United States Citizenship and Immigration
23 Services that is stamped with "Asylee," "Refugee," or "Asylum"; and

24 (3) as a result of inadequate schooling outside of the
25 United States, lacks the necessary foundation in the essential
26 knowledge and skills of the curriculum prescribed under Section
27 28.002 as determined by the language proficiency assessment

1 committee established under Section 29.063.

2 (e) The commissioner shall develop an assessment system
3 that shall be used for evaluating the academic progress, including
4 reading proficiency in English, of all students of limited English
5 proficiency, as defined by Section 29.052. A student who is exempt
6 from the administration of an assessment instrument under
7 Subsection (a)(3) or (4) who achieves reading proficiency in
8 English as determined by the assessment system developed under this
9 subsection shall be administered the assessment instruments
10 described by Sections 39.023(a) and (c). The performance under the
11 assessment system developed under this subsection of students to
12 whom Subsection (a)(3) or (4) applies shall be included in the
13 ~~[academic excellence]~~ indicator systems ~~[system]~~ under Sections
14 39.053 and 39.301, as applicable ~~[Section 39.051]~~, the performance
15 report under Section 39.306 ~~[39.053]~~, and the comprehensive annual
16 report under Section 39.332 ~~[39.182]~~. This information shall be
17 provided in a manner that is disaggregated by the bilingual
18 education or special language program, if any, in which the student
19 is enrolled.

20 SECTION 20. Section 39.032, Education Code, is amended by
21 amending Subsection (c) and adding Subsections (c-1) and (c-2) to
22 read as follows:

23 (c) State and national norms of averages shall be computed
24 using data that are not more than eight ~~[six]~~ years old at the time
25 the assessment instrument is administered and that are
26 representative of the group of students to whom the assessment
27 instrument is administered.

1 (c-1) The standardization norms computed under Subsection
2 (a) shall be:

3 (1) based on a national probability sample that meets
4 accepted standards for educational and psychological testing; and

5 (2) [~~shall be~~] updated at least every eight [~~six~~]
6 years using proven psychometric procedures approved by the State
7 Board of Education.

8 (c-2) The eight-year limitation on data to compute norms
9 under this section does not apply if only data older than eight
10 years is available for an assessment instrument. The commissioner
11 by rule may limit the exception created by this subsection based on
12 the type of assessment instrument.

13 SECTION 21. Section 39.033(b), Education Code, is amended
14 to read as follows:

15 (b) An agreement under this section must require the private
16 school to:

17 (1) as determined appropriate by the commissioner,
18 provide to the commissioner the information described by Sections
19 39.053(c) and 39.301(b); [~~Section 39.051(b)~~] and

20 (2) [~~to~~] maintain confidentiality in compliance with
21 Section 39.030.

22 SECTION 22. Section 39.034, Education Code, is amended by
23 amending Subsection (d) and adding Subsection (d-1) to read as
24 follows:

25 (d) The agency shall determine the necessary annual
26 improvement required each year for a student to be prepared to
27 perform satisfactorily on, as applicable:

1 (1) the grade five assessment instruments;
2 (2) the grade eight assessment instruments; and
3 (3) the end-of-course assessment instruments required
4 under this subchapter for graduation.

5 (d-1) The agency shall report the necessary annual
6 improvement required under Subsection (d) to the district. Each
7 year, the report must state whether the student fell below, met, or
8 exceeded the necessary target for improvement.

9 SECTION 23. Subchapters C through L, Chapter 39, Education
10 Code, as amended by Section 2.25, Chapter 396 (S.B. 4), and Section
11 4, Chapter 931 (H.B. 2307), Acts of the 76th Legislature, Regular
12 Session, 1999, are amended to read as follows:

13 SUBCHAPTER C. ACCREDITATION [~~PERFORMANCE INDICATORS~~
14 ~~[SUBCHAPTER D. ACCREDITATION STATUS]~~

15 Sec. 39.051 [~~39.071~~]. ACCREDITATION STATUS. [~~(a)~~]
16 Accreditation of a school district is determined in accordance with
17 this subchapter [~~section~~]. The commissioner by rule shall
18 determine in accordance with this subchapter the criteria for
19 [~~define~~] the following accreditation statuses:

- 20 (1) accredited;
- 21 (2) accredited-warned; and
- 22 (3) accredited-probation.

23 Sec. 39.052. DETERMINATION OF ACCREDITATION STATUS. (a)
24 [~~(b)~~] Each year, the commissioner shall determine the accreditation
25 status of each school district.

26 (b) In determining the accreditation status of a school
27 district, the commissioner:

1 (1) shall evaluate and consider:

2 (A) the performance on student achievement
3 indicators described by Section 39.053(c) ~~[of the district under:~~

4 ~~[(A) the academic accountability system under~~
5 ~~Section 39.072]~~; and

6 (B) performance under the financial
7 accountability rating system developed under Subchapter D ~~[±]~~; and

8 (2) may evaluate and consider:

9 (A) the district's compliance with statutory
10 requirements and requirements imposed by rule of the commissioner
11 or State Board of Education under specific statutory authority that
12 relate to:

13 (i) reporting data through the Public
14 Education Information Management System (PEIMS) or other reports
15 required by state or federal law or court order;

16 (ii) the high school graduation
17 requirements under Section 28.025; or

18 (iii) an item listed under Sections
19 7.056(e)(3)(C)-(I) that applies to the district;

20 (B) the effectiveness of the district's programs
21 for special populations; and

22 (C) the effectiveness of the district's career
23 and technology program.

24 (c) In determining the accreditation status of a campus, the
25 commissioner:

26 (1) shall evaluate and consider performance on student
27 achievement indicators described by Section 39.053(c); and

1 (2) may evaluate and consider other factors the
2 commissioner considers appropriate.

3 (d) Based on a school district's performance under
4 Subsection (b), the commissioner shall:

5 (1) assign each [~~a~~] district an accreditation status;
6 or

7 (2) revoke the accreditation of the district and order
8 closure of the district under Subchapter E [~~this subchapter~~].

9 (e) A school district's accreditation status may be raised
10 or lowered based on the district's performance or may be lowered
11 based on the performance of one or more campuses in the district
12 that is below a standard required under this subchapter.

13 (f) [~~(d)~~] The commissioner shall notify a school district
14 that receives an accreditation status of accredited-warned or
15 accredited-probation that the performance of the district is below
16 a standard required under this subchapter [~~section~~]. The
17 commissioner shall require the district to notify the parents of
18 students enrolled in the district and property owners in the
19 district of the [~~district's~~] accreditation status of the district
20 and the implications of that accreditation status.

21 (g) [~~(e)~~] A school district that is not accredited may not
22 receive funds from the agency or hold itself out as operating a
23 public school of this state.

24 (h) [~~(f)~~] This chapter may not be construed to invalidate a
25 diploma awarded, course credit earned, or grade promotion granted
26 by a school district before the commissioner revoked the district's
27 accreditation.

1 Sec. 39.053. PERFORMANCE INDICATORS: STUDENT ACHIEVEMENT.

2 (a) The commissioner shall adopt a set of indicators of the quality
3 of learning and student achievement. The commissioner biennially
4 shall review the indicators for the consideration of appropriate
5 revisions.

6 ~~[Sec. 39.051. ACADEMIC EXCELLENCE INDICATORS. (a) The~~
7 ~~State Board of Education shall adopt a set of indicators of the~~
8 ~~quality of learning on a campus. The State Board of Education~~
9 ~~biennially shall review the indicators for the consideration of~~
10 ~~appropriate revisions.]~~

11 (b) Performance on the student achievement indicators
12 adopted under this section shall be compared to state-established
13 standards. ~~[The degree of change from one school year to the next~~
14 ~~in performance on each indicator adopted under this section shall~~
15 ~~also be considered.]~~ The indicators must be based on information
16 that is disaggregated by race, ethnicity, ~~[gender,~~ and
17 socioeconomic status.

18 (c) Indicators of student achievement adopted under this
19 section ~~[and]~~ must include:

20 (1) the results of assessment instruments required
21 under Sections 39.023(a), (c), and (l), including the results of
22 assessment instruments required for graduation retaken by a
23 student, aggregated across ~~[by]~~ grade levels by ~~[level and]~~ subject
24 area, including:

25 (A) the percentage of students who performed
26 satisfactorily, as determined by the commissioner under Section
27 39.0241(a) on the assessment instruments, aggregated across grade

1 levels by subject area;

2 (B) for students who did not perform
3 satisfactorily as described by Paragraph (A), the percentage of
4 students who met the standard for annual improvement, as determined
5 by the agency under Section 39.034, on assessment instruments,
6 aggregated across grade levels by subject area;

7 (C) the percentage of students who performed
8 satisfactorily, as determined under the college readiness
9 performance standards under Section 39.0241, on the assessment
10 instruments, aggregated across grade levels by subject area; and

11 (D) for students who did not perform
12 satisfactorily as described by Paragraph (C), the percentage of
13 students who met the standard for annual improvement, as determined
14 by the agency under Section 39.034, on assessment instruments,
15 aggregated across grade levels by subject area;

16 (2) the percentage increase from school year to school
17 year in students who performed satisfactorily as described by
18 Subdivision (1)(C) or who met the standard for annual improvement
19 as described by Subdivision (1)(D);

20 (3) dropout rates, including dropout rates and
21 district completion rates for grade levels 9 through 12, computed
22 in accordance with standards and definitions adopted by the
23 National Center for Education Statistics of the United States
24 Department of Education; and

25 (4) [~~(3)~~] high school graduation rates, computed in
26 accordance with standards and definitions adopted in compliance
27 with the No Child Left Behind Act of 2001 (20 U.S.C. Section 6301 et

1 seq.).

2 (d) [~~(Pub. L. No. 107-110)~~];

3 [~~(4) student attendance rates;~~

4 [~~(5) the percentage of graduating students who attain~~
5 ~~scores on the questions developed for end-of-course assessment~~
6 ~~instruments under Section 39.0233(a) that are equivalent to a~~
7 ~~passing score on the assessment instrument required under Section~~
8 ~~51.3062;~~

9 [~~(6) the percentage of graduating students who meet~~
10 ~~the course requirements established for the recommended high school~~
11 ~~program by State Board of Education rule;~~

12 [~~(7) the results of the Scholastic Assessment Test~~
13 ~~(SAT), the American College Test (ACT), articulated postsecondary~~
14 ~~degree programs described by Section 61.852, and certified~~
15 ~~workforce training programs described by Chapter 311, Labor Code;~~

16 [~~(8) the percentage of students, aggregated by grade~~
17 ~~level, provided accelerated instruction under Section 28.0211(c),~~
18 ~~the results of assessments administered under that section, the~~
19 ~~percentage of students promoted through the grade placement~~
20 ~~committee process under Section 28.0211, the subject of the~~
21 ~~assessment instrument on which each student failed to perform~~
22 ~~satisfactorily, and the performance of those students in the school~~
23 ~~year following that promotion on the assessment instruments~~
24 ~~required under Section 39.023;~~

25 [~~(9) for students who have failed to perform~~
26 ~~satisfactorily on an assessment instrument required under Section~~
27 ~~39.023(a) or (c), the numerical progress of those students grouped~~

1 ~~by percentage on subsequent assessment instruments required under~~
2 ~~those sections, aggregated by grade level and subject area,~~

3 ~~[(10) the percentage of students exempted, by~~
4 ~~exemption category, from the assessment program generally~~
5 ~~applicable under this chapter,~~

6 ~~[(11) the percentage of students of limited English~~
7 ~~proficiency exempted from the administration of an assessment~~
8 ~~instrument under Sections 39.027(a)(3) and (4),~~

9 ~~[(12) the percentage of students in a special~~
10 ~~education program under Subchapter A, Chapter 29, assessed through~~
11 ~~assessment instruments developed or adopted under Section~~
12 ~~39.023(b),~~

13 ~~[(13) the measure of progress toward preparation for~~
14 ~~postsecondary success, and~~

15 ~~[(14) the measure of progress toward dual language~~
16 ~~proficiency under Section 39.034(b), for students of limited~~
17 ~~English proficiency, as defined by Section 29.052.~~

18 ~~[(b-1) Performance on the indicators described by~~
19 ~~Subsections (b)(1), (2), (3), (8), (9), and (14) must be based on~~
20 ~~longitudinal student data that is disaggregated by the bilingual~~
21 ~~education or special language program, if any, in which students of~~
22 ~~limited English proficiency, as defined by Section 29.052, are or~~
23 ~~former students of limited English proficiency were enrolled. If a~~
24 ~~student described by this subsection is not or was not enrolled in~~
25 ~~specialized language instruction, the number and percentage of~~
26 ~~those students shall be provided.~~

27 ~~[(c)]~~ Performance on the student achievement indicators

1 ~~[indicator]~~ under Subsections (c)(1) and (3) ~~[Subsection (b)(1)]~~
 2 shall be compared to state standards and~~[r]~~ required improvement~~[r~~
 3 ~~and comparable improvement]~~. The state standard shall be
 4 established by the commissioner. Required improvement is ~~[defined~~
 5 ~~as]~~ the progress necessary for the campus or district to meet state
 6 standards and, for the student achievement indicator under
 7 Subsection (c)(1), for its students to meet each of the performance
 8 standards as determined under Section 39.0241.

9 (e) ~~[exit requirements as defined by the commissioner.~~
 10 ~~Comparable improvement is derived by measuring campuses and~~
 11 ~~districts against a profile developed from a total state student~~
 12 ~~performance database which exhibits substantial equivalence to the~~
 13 ~~characteristics of students served by the campus or district,~~
 14 ~~including past academic performance, socioeconomic status,~~
 15 ~~ethnicity, and limited English proficiency.~~

16 ~~[(d)]~~ Annually, the commissioner shall define the state
 17 standard for the current school year for each student achievement
 18 ~~[exemplary, recognized, and unacceptable performance for each~~
 19 ~~academic excellence]~~ indicator described by Subsection (c)
 20 ~~[included under Subsections (b)(1) through (7)]~~ and shall project
 21 the state standards for each ~~[of those levels of performance for~~
 22 ~~succeeding years. For the]~~ indicator for the following two school
 23 ~~[under Subsection (b)(8), the commissioner shall define exemplary,~~
 24 ~~recognized, and unacceptable performance based on student~~
 25 ~~performance for the period covering both the current and preceding~~
 26 ~~academic]~~ years. The commissioner shall periodically raise the
 27 state standards for the student achievement indicator described by

1 Subsection (c)(1)(C) as necessary to reach the goal of achieving,
2 by not later than the 2019-2020 school year, student performance in
3 this state, disaggregated by race, ethnicity, and socioeconomic
4 status, that ranks nationally in the top 10 states in terms of
5 college readiness.

6 (f) In defining the required state standard [~~exemplary,~~
7 ~~recognized, and unacceptable performance~~] for the indicator
8 described by Subsection (c)(3) [~~indicators under Subsections~~
9 ~~(b)(2) and (4)~~], the commissioner may not consider as a dropout [~~or~~
10 ~~as~~] a student [~~who has failed to attend school a student~~] whose
11 failure to attend school results from:

12 (1) the student's expulsion under Section 37.007; and

13 (2) as applicable:

14 (A) adjudication as having engaged in delinquent
15 conduct or conduct indicating a need for supervision, as defined by
16 Section 51.03, Family Code; or

17 (B) conviction of and sentencing for an offense
18 under the Penal Code.

19 (g) In computing dropout and completion rates under
20 Subsection (c)(3), the commissioner shall exempt students who:

21 (1) are ordered by a court to attend a high school
22 equivalency certificate program but who have not yet earned a high
23 school equivalency certificate; or

24 (2) were previously reported to the state as dropouts.

25 (h) [~~e~~] Each school district shall cooperate with the
26 agency in determining whether a student is a dropout for purposes of
27 accreditation and evaluating performance by school districts and

1 campuses under this chapter [~~section~~].

2 (i) [~~(f)~~ ~~The indicator under Subsection (b)(1) must include~~
3 ~~the results of assessment instruments required under Section~~
4 ~~39.023(b).~~]

5 [~~(g)~~] The commissioner by rule shall adopt accountability
6 measures to be used in assessing the progress of students who have
7 failed to perform satisfactorily as described by Subsections
8 (c)(1)(A) and (C) in the preceding school year on an assessment
9 instrument required under Section 39.023(a), (c), or (l).

10 Sec. 39.054. METHODS AND STANDARDS FOR EVALUATING
11 PERFORMANCE. (a) The commissioner shall adopt rules to evaluate
12 school district and campus performance and, not later than August 8
13 of each year, assign each district and campus a performance rating
14 that reflects acceptable performance, unacceptable performance, or
15 performance eligible for distinction under Subchapter G. If a
16 district or campus received a performance rating of unacceptable
17 performance for the preceding school year the commissioner shall
18 notify the district of a subsequent such designation on or before
19 June 15.

20 (b) In evaluating performance, the commissioner shall
21 evaluate against state standards and consider the performance of
22 each campus in a school district and each open-enrollment charter
23 school on the basis of the campus's or school's performance on the
24 student achievement indicators adopted under Section 39.053(c).

25 (b-1) [39.072. ACCREDITATION STANDARDS. (a) The State
26 Board of Education shall adopt rules to evaluate the performance of
27 school districts and to assign to each district a performance

1 ~~rating as follows:~~

2 ~~[(1) exemplary (meets or exceeds state exemplary~~
3 ~~standards),~~

4 ~~[(2) recognized (meets or exceeds required~~
5 ~~improvement and within 10 percent of state exemplary standards),~~

6 ~~[(3) academically acceptable (below the exemplary and~~
7 ~~recognized standards but exceeds the academically unacceptable~~
8 ~~standards); or~~

9 ~~[(4) academically unacceptable (below the state~~
10 ~~clearly unacceptable performance standard and does not meet~~
11 ~~required improvement)].~~

12 ~~[(b) The academic excellence indicators adopted under~~
13 ~~Sections 39.051(b)(1) through (8) and the district's current~~
14 ~~special education compliance status with the agency shall be the~~
15 ~~main considerations of the agency in the rating of the district~~
16 ~~under this section. Additional criteria in the rules may include~~
17 ~~consideration of:~~

18 ~~[(1) compliance with statutory requirements and~~
19 ~~requirements imposed by rule of the State Board of Education under~~
20 ~~specific statutory authority that relate to:~~

21 ~~[(A) reporting data through the Public Education~~
22 ~~Information Management System (PEIMS),~~

23 ~~[(B) the high school graduation requirements~~
24 ~~under Section 28.025; or~~

25 ~~[(C) an item listed in Sections~~
26 ~~7.056(e)(3)(C)-(I) that applies to the district,~~

27 ~~[(2) the effectiveness of the district's programs for~~

1 ~~special populations, and~~

2 ~~[(3) the effectiveness of the district's career and~~
3 ~~technology programs.]~~

4 ~~[(c) The agency shall evaluate against state standards and~~
5 ~~shall, not later than August 1 of each year, report the performance~~
6 ~~of each campus in a district and each open-enrollment charter~~
7 ~~school on the basis of the campus's performance on the indicators~~
8 ~~adopted under Sections 39.051(b)(1) through (8).]~~ Consideration of
9 the effectiveness of district programs under Section
10 39.052(b)(2)(B) or (C) [~~Subsection (b)(2) or (3)~~] must be based on
11 data collected through the Public Education Information Management
12 System (PEIMS) for purposes of accountability under this chapter or
13 through a special accreditation investigation under Section 39.057
14 and include the results of assessments required under Section
15 39.023.

16 (c) In evaluating school district and campus performance on
17 the student achievement indicators adopted under Sections
18 39.053(c)(1) and (3), the commissioner shall identify satisfactory
19 performance as meeting the state standard determined by the
20 commissioner under Section 39.053(e) for the current school year
21 based on:

22 (1) student performance in the current school year; or
23 (2) student performance as averaged over the current
24 school year and the preceding two school years.

25 (d) To be assigned an accredited status, a school district
26 or campus:

27 (1) must perform satisfactorily on 85 percent of the

1 measures the commissioner determines appropriate with respect to
2 the student achievement indicators adopted under Sections
3 39.053(c)(1) and (3);

4 (2) may not fail to perform satisfactorily on the same
5 measure described by Subdivision (1) for two consecutive school
6 years; and

7 (3) may establish other performance criteria for a
8 district or campus to obtain an exception under this subsection.

9 (d-1) In determining additional criteria under Subsection
10 (d)(3), the commissioner shall give consideration to performance on
11 the same measure for student groups that are substantially similar
12 in composition to all students on the same campus or district.

13 (e) [~~Notwithstanding any other provision of this code, for~~
14 ~~purposes of determining the performance of a school district under~~
15 ~~this chapter, including the accreditation status of the district, a~~
16 ~~student confined by court order in a residential program or~~
17 ~~facility operated by or under contract with the Texas Youth~~
18 ~~Commission, Texas Juvenile Probation Commission, or any other~~
19 ~~governmental entity, including a juvenile board, is not considered~~
20 ~~to be a student of the school district in which the program or~~
21 ~~facility is physically located. The performance of such a student~~
22 ~~on an assessment instrument or other academic excellence indicator~~
23 ~~adopted under Section 39.051 shall be determined, reported, and~~
24 ~~considered separately from the performance of students attending a~~
25 ~~school of the district in which the program or facility is~~
26 ~~physically located.~~

27 [Sec. 39.0721. GOLD PERFORMANCE RATING PROGRAM. (a) In

1 ~~addition to district and campus performance ratings reported under~~
2 ~~Section 39.072, the commissioner shall develop a gold performance~~
3 ~~rating program based on enhanced performance. The agency shall~~
4 ~~administer the program.~~

5 ~~[(b) Under the gold performance rating program, a district~~
6 ~~or campus rated exemplary under Section 39.072 is eligible for an~~
7 ~~exemplary gold rating, a district or campus rated recognized is~~
8 ~~eligible for a recognized gold rating, and a district or campus~~
9 ~~rated academically acceptable is eligible for an academically~~
10 ~~acceptable gold rating.~~

11 ~~[(c) The performance standards on which a gold performance~~
12 ~~rating is based should include:~~

13 ~~[(1) student proficiency on:~~

14 ~~[(A) assessment instruments administered under~~
15 ~~Sections 39.023(a), (c), and (1); and~~

16 ~~[(B) other measures of proficiency determined by~~
17 ~~the commissioner;~~

18 ~~[(2) student performance on one or more nationally~~
19 ~~recognized norm-referenced assessment instruments;~~

20 ~~[(3) improvement in student performance;~~

21 ~~[(4) in the case of middle or junior high school~~
22 ~~campuses, student proficiency in mathematics, including algebra,~~
23 ~~and~~

24 ~~[(5) in the case of high school campuses:~~

25 ~~[(A) the extent to which graduating students are~~
26 ~~academically prepared to attend institutions of higher education;~~

27 ~~[(B) the percentage of students who take advanced~~

1 ~~placement tests and student performance on those tests; and~~

2 ~~[(C) the percentage of students who take and~~
3 ~~successfully complete advanced academic courses or college-level~~
4 ~~course work offered through dual credit programs provided under~~
5 ~~agreements between high schools and institutions of higher~~
6 ~~education.~~

7 ~~[(d) The commissioner may adopt rules as necessary to~~
8 ~~implement and administer this section.~~

9 ~~[Sec. 39.073. DETERMINING ACCREDITATION STATUS. (a) The~~
10 ~~agency shall annually review the performance of each district and~~
11 ~~campus on the indicators adopted under Sections 39.051(b)(1)~~
12 ~~through (8) and determine if a change in the accreditation status of~~
13 ~~the district is warranted. The commissioner may determine how all~~
14 ~~indicators adopted under Section 39.051(b) may be used to determine~~
15 ~~accountability ratings and to select districts and campuses for~~
16 ~~acknowledgment.~~

17 ~~[(b)]~~ Each annual performance review under this section
18 shall include an analysis of the student achievement indicators
19 adopted under Section 39.053(c) ~~[Sections 39.051(b)(1) through~~
20 ~~(8)]~~ to determine school district and campus performance in
21 relation to:

22 (1) standards established for each indicator; and

23 (2) required improvement as defined under Section
24 39.053(d) ~~[39.051(c); and~~

25 ~~[(3) comparable improvement as defined by Section~~
26 ~~39.051(c)].~~

27 ~~[(c) A district's accreditation rating may be raised or~~

1 ~~lowered based on the district's performance or may be lowered based~~
2 ~~on the unacceptable performance of one or more campuses in the~~
3 ~~district.~~

4 ~~[(d) The commissioner shall notify a district that is rated~~
5 ~~academically unacceptable that the performance of the district or a~~
6 ~~campus in the district is below each standard under Subsection (b)~~
7 ~~and shall require the district to notify property owners and~~
8 ~~parents in the district of the lowered accreditation rating and its~~
9 ~~implication.~~

10 ~~[(c) In determining a district's accreditation rating, the~~
11 ~~agency shall consider:~~

12 ~~[(1) the district's current special education~~
13 ~~compliance status with the agency; and~~

14 ~~[(2) the progress of students who have failed to~~
15 ~~perform satisfactorily in the preceding school year on an~~
16 ~~assessment instrument required under Section 39.023(a), (c), or~~
17 ~~(1).]~~

18 (f) In the computation of dropout rates under Section
19 39.053(c)(3) [~~39.051(b)(2)~~], a student who is released from a
20 juvenile pre-adjudication secure detention facility or juvenile
21 post-adjudication secure correctional facility and fails to enroll
22 in school or a student who leaves a residential treatment center
23 after receiving treatment for fewer than 85 days and fails to enroll
24 in school may not be considered to have dropped out from the [~~campus~~
25 ~~or~~] school district or campus serving the facility or center unless
26 that district or campus [~~or district~~] is the one to which the
27 student is regularly assigned.

1 Sec. 39.055. STUDENT CONFINED BY COURT ORDER NOT CONSIDERED
2 FOR ACCOUNTABILITY PURPOSES. Notwithstanding any other provision
3 of this code, for purposes of determining the performance of a
4 school district or campus under this chapter, including the
5 accreditation status of a district or campus, a student confined by
6 court order in a residential program or facility operated by or
7 under contract with the Texas Youth Commission, the Texas Juvenile
8 Probation Commission, a juvenile board, or any other governmental
9 entity is not considered to be a student of the school district in
10 which the program or facility is physically located. The
11 performance of such a student on an assessment instrument or other
12 student achievement indicator adopted under Section 39.053 or
13 reporting indicator adopted under Section 39.301 shall be
14 determined, reported, and considered separately from the
15 performance of students attending a school of the district in which
16 the program or facility is physically located.

17 Sec. 39.056 [~~39.074~~]. ON-SITE INVESTIGATIONS. (a) The
18 commissioner may:

19 (1) direct the agency to conduct on-site
20 investigations of a school district at any time to answer any
21 questions concerning a program, including special education,
22 required by federal law or for which the district receives federal
23 funds; and

24 (2) [~~raise or lower the performance rating~~] as a
25 result of the investigation, change the accreditation status of a
26 district, change the accountability rating of a district or campus,
27 or withdraw a distinction designation under Subchapter G.

1 (b) The commissioner shall determine the frequency of
2 on-site investigations by the agency according to annual
3 comprehensive analyses of student performance and equity in
4 relation to the student achievement [~~academic excellence~~]
5 indicators adopted under Section 39.053 [~~39.051~~].

6 (c) In making an on-site accreditation investigation, the
7 investigators shall obtain information from administrators,
8 teachers, and parents of students enrolled in the school district.
9 The investigation may not be closed until information is obtained
10 from each of those sources. The State Board of Education shall
11 adopt rules for:

12 (1) obtaining information from parents and using that
13 information in the investigator's report; and

14 (2) obtaining information from teachers in a manner
15 that prevents a [~~campus or~~] district or campus from screening the
16 information.

17 (d) The agency shall give written notice to the
18 superintendent and the board of trustees of a school district of any
19 impending investigation of the district's accreditation.

20 (e) [~~If an annual review indicates low performance on one~~
21 ~~or more of the indicators under Sections 39.051(b)(1) through (8)~~
22 ~~of one or more campuses in a district, the agency may conduct an~~
23 ~~on-site evaluation of those campuses only.~~

24 [~~(f)~~] The investigators shall report orally and in writing
25 to the board of trustees of the school district and, as appropriate,
26 to campus administrators and shall make recommendations concerning
27 any necessary improvements or sources of aid such as regional

1 education service centers.

2 Sec. 39.057 [~~39.075~~]. SPECIAL ACCREDITATION
3 INVESTIGATIONS. (a) The commissioner shall authorize special
4 accreditation investigations to be conducted:

5 (1) when excessive numbers of absences of students
6 eligible to be tested on state assessment instruments are
7 determined;

8 (2) when excessive numbers of allowable exemptions
9 from the required state assessment instruments are determined;

10 (3) in response to complaints submitted to the agency
11 with respect to alleged violations of civil rights or other
12 requirements imposed on the state by federal law or court order;

13 (4) in response to established compliance reviews of
14 the district's financial accounting practices and state and federal
15 program requirements;

16 (5) when extraordinary numbers of student placements
17 in disciplinary alternative education programs, other than
18 placements under Sections 37.006 and 37.007, are determined;

19 (6) in response to an allegation involving a conflict
20 between members of the board of trustees or between the board and
21 the district administration if it appears that the conflict
22 involves a violation of a role or duty of the board members or the
23 administration clearly defined by this code;

24 (7) when excessive numbers of students in special
25 education programs under Subchapter A, Chapter 29, are assessed
26 through assessment instruments developed or adopted under Section
27 39.023(b);

1 (8) in response to an allegation regarding or an
2 analysis using a statistical method result indicating a possible
3 violation of an assessment instrument security procedure
4 established under Section 39.0301, including for the purpose of
5 investigating or auditing a school district under that section;
6 ~~[or]~~

7 (9) when a significant pattern of increased student
8 dropout rates or decreased academic performance develops as the
9 result of the promotion of students who did not perform
10 satisfactorily on assessment instruments administered under
11 Section 39.023(a), (c), or (l);

12 (10) when excessive numbers of students graduate under
13 the minimum high school program; or

14 (11) as the commissioner otherwise determines
15 necessary.

16 (b) If the agency's findings in an investigation under
17 Subsection (a)(6) indicate that the board of trustees has observed
18 a lawfully adopted policy, the agency may not substitute its
19 judgment for that of the board.

20 (c) ~~[(b-1)]~~ The commissioner may authorize special
21 accreditation investigations to be conducted in response to
22 repeated complaints submitted to the agency concerning imposition
23 of excessive paperwork requirements on classroom teachers.

24 (d) ~~[(e)]~~ Based on the results of a special accreditation
25 investigation, the commissioner may:

26 (1) take appropriate action under Subchapter E ~~[G]~~;

27 (2) lower the school district's accreditation status

1 or a district's or campus's accountability rating; or

2 (3) take action under both Subdivisions (1) and (2).

3 (e) [~~(c) Based on the results of a special accreditation~~
4 ~~investigation, the commissioner may lower the district's~~
5 ~~accreditation rating and may take appropriate action under~~
6 ~~Subchapter C.~~] Regardless of whether the commissioner lowers the
7 school district's accreditation status under Subsection (d)
8 ~~[rating]~~, the commissioner may take action under Sections
9 39.102(a)(1) through (8) or Section 39.103 [~~39.131(a)(1) through~~
10 ~~(8)~~] if the commissioner determines that the action is necessary to
11 improve any area of a district's or campus's performance, including
12 the district's financial accounting practices.

13 Sec. 39.058 [~~39.076~~]. CONDUCT OF INVESTIGATIONS. (a) The
14 agency shall adopt written procedures for conducting on-site
15 investigations under this subchapter. The agency shall make the
16 procedures available to the complainant, the alleged violator, and
17 the public. Agency staff must be trained in the procedures and must
18 follow the procedures in conducting the investigation.

19 (b) After completing an investigation, the agency shall
20 present preliminary findings to any person the agency finds has
21 violated a law, rule, or policy. Before issuing a report with its
22 final findings, the agency must provide a person the agency finds
23 has violated a law, rule, or policy an opportunity for an informal
24 review by the commissioner or a designated hearing examiner.

25 SUBCHAPTER D [~~F~~]. FINANCIAL ACCOUNTABILITY

26 Sec. 39.081 [~~39.201~~]. DEFINITIONS. In this subchapter:

27 (1) "Parent" includes a guardian or other person

1 having lawful control of a student.

2 (2) "System" means a [the] financial accountability
3 rating system developed under this subchapter.

4 Sec. 39.082 [39.202]. DEVELOPMENT AND IMPLEMENTATION. (a)
5 The commissioner shall, in consultation with the comptroller,
6 develop and implement separate [a] financial accountability rating
7 systems [system] for school districts and open-enrollment charter
8 schools in this state that:

9 (1) distinguish [distinguishes] among school
10 districts and distinguish among open-enrollment charter schools,
11 as applicable, based on levels of financial performance; and

12 (2) include [includes] procedures to:

13 (A) provide additional transparency to public
14 education finance; and

15 (B) enable the commissioner and school district
16 and open-enrollment charter school administrators to provide
17 meaningful financial oversight and improvement.

18 (b) The system must include uniform indicators adopted by
19 the commissioner by which to measure the [a district's] financial
20 management performance of a district or open-enrollment charter
21 school.

22 (c) The system may not include an indicator under Subsection
23 (b) or any other performance measure that:

24 (1) requires a school district to spend at least 65
25 percent or any other specified percentage of district operating
26 funds for instructional purposes; or

27 (2) lowers the financial management performance

1 rating of a school district for failure to spend at least 65 percent
2 or any other specified percentage of district operating funds for
3 instructional purposes.

4 Sec. 39.0821. COMPTROLLER REVIEW OF RESOURCE ALLOCATION
5 PRACTICES. The comptroller shall identify school districts and
6 campuses that use resource allocation practices that contribute to
7 high academic achievement and cost-effective operations. In
8 identifying districts and campuses under this section, the
9 comptroller shall:

10 (1) evaluate existing academic accountability and
11 financial data by integrating the data;

12 (2) rank the results of the evaluation under
13 Subdivision (1) to identify the relative performance of districts
14 and campuses; and

15 (3) identify potential areas for district and campus
16 improvement.

17 Sec. 39.0822. FINANCIAL SOLVENCY REVIEW REQUIRED. (a) The
18 agency shall develop a review process to anticipate the future
19 financial solvency of each school district. The review process
20 shall analyze:

21 (1) district revenues and expenditures for the
22 preceding school year; and

23 (2) projected district revenues and expenditures for
24 the current school year and the following five school years.

25 (b) In analyzing the information under Subsection (a), the
26 review process developed must consider, for the preceding school
27 year, the current school year, and the following five years, as

1 appropriate:

2 (1) student-to-staff ratios relative to expenditures,
3 including average staff salaries;

4 (2) the rate of depletion of the district general fund
5 balance;

6 (3) the number of students enrolled in the district;

7 (4) the adopted tax rate of the district;

8 (5) any independent audit report prepared for the
9 district; and

10 (6) actual financial data for the district for the
11 month of September.

12 (c) The agency shall consult school district and
13 open-enrollment charter school financial officers in developing
14 the review process under this section.

15 (d) The agency shall develop a computer software template
16 for school districts to use in submitting information to the agency
17 for purposes of this section. Each district shall update
18 information to the template within the period prescribed by the
19 commissioner. The commissioner shall adopt rules under this
20 subsection to allow a district to enter estimates of critical data
21 into the template before the district adopts its budget. The
22 template must:

23 (1) be capable of importing, to the extent
24 practicable, data a district has previously submitted to the
25 agency;

26 (2) include an entry space that allows a district to
27 enter information explaining any irregularity in data submitted;

1 and

2 (3) provide alerts for:

3 (A) a student-to-staff ratio that is
4 significantly outside the norm;

5 (B) a rapid depletion of the district general
6 fund balance; and

7 (C) a significant discrepancy between actual
8 budget figures and projected revenues and expenditures.

9 (e) An alert in the template developed under Subsection (d)
10 must be developed to notify the agency immediately on the
11 occurrence of a condition described by Subsection (d)(3). After
12 the agency is alerted, the agency shall immediately notify the
13 affected school district regarding the condition triggering the
14 alert.

15 Sec. 39.0823. PROJECTED DEFICIT. (a) If the review process
16 under Section 39.0822 indicates a projected deficit for a school
17 district general fund within the following five school years, the
18 district shall provide the agency interim financial reports,
19 supplemented by staff and student count data, as needed, to
20 evaluate the district's current budget status.

21 (b) If the interim financial data provided under Subsection
22 (a) substantiates the projected deficit, the school district shall
23 develop a financial plan and submit the plan to the agency for
24 approval. The agency may approve the plan only if the agency
25 determines the plan will permit the district to avoid the projected
26 insolvency.

27 (c) The commissioner shall assign a school district an

1 accredited-warned status if:

2 (1) the district fails to submit a plan as provided by
3 Subsection (b);

4 (2) the district fails to obtain approval from the
5 agency for a plan as provided by Subsection (b);

6 (3) the district fails to comply with a plan approved
7 by the agency under Subsection (b); or

8 (4) the agency determines in a subsequent school year,
9 based on financial data submitted by the district, that the
10 approved plan for the district is no longer sufficient or is not
11 appropriately implemented.

12 Sec. 39.083 [~~39.203~~]. REPORTING. (a) The commissioner
13 shall develop, as part of the system, a reporting procedure under
14 which:

15 (1) each school district is required to prepare and
16 distribute an annual financial management report; and

17 (2) the public is provided an opportunity to comment
18 on the report at a hearing.

19 (b) The annual financial management report must include:

20 (1) a description of the district's financial
21 management performance based on a comparison, provided by the
22 agency, of the district's performance on the indicators adopted
23 under Section 39.082(b) [~~39.202(b)~~] to:

24 (A) state-established standards; and

25 (B) the district's previous performance on the
26 indicators; [~~and~~]

27 (2) a description of the data submitted using the

1 computer software template developed under Section 39.0822; and

2 (3) any descriptive information required by the
3 commissioner.

4 (c) The report may include:

5 (1) information concerning the district's:

6 (A) financial allocations;

7 (B) tax collections;

8 (C) financial strength;

9 (D) operating cost management;

10 (E) personnel management;

11 (F) debt management;

12 (G) facility acquisition and construction
13 management;

14 (H) cash management;

15 (I) budgetary planning;

16 (J) overall business management;

17 (K) compliance with rules; and

18 (L) data quality; and

19 (2) any other information the board of trustees
20 determines to be necessary or useful.

21 (d) The board of trustees of each school district shall hold
22 a public hearing on the report. The board shall give notice of the
23 hearing to owners of real property in the district and to parents of
24 district students. In addition to other notice required by law,
25 notice of the hearing must be provided:

26 (1) to a newspaper of general circulation in the
27 district; and

1 (2) through electronic mail to media serving the
2 district.

3 (e) After the hearing, the report shall be disseminated in
4 the district in the manner prescribed by the commissioner.

5 Sec. 39.084 [~~39.204~~]. RULES. The commissioner shall adopt
6 rules as necessary for the implementation and administration of
7 this subchapter.

8 SUBCHAPTER E [~~G~~]. ACCREDITATION INTERVENTIONS AND SANCTIONS

9 Sec. 39.101. ACCREDITED-WARNED AND ACCREDITED-PROBATION
10 STATUS FOR PURPOSES OF INTERVENTIONS AND SANCTIONS. For purposes
11 of this subchapter, a campus is considered to have:

12 (1) an accredited-warned status if the campus has been
13 assigned under this subchapter an accreditation status lower than
14 accredited for fewer than three school years; and

15 (2) an accredited-probation status if the campus has
16 been assigned under this subchapter an accreditation status lower
17 than accredited for three to five school years.

18 Sec. 39.102 [~~39.131~~]. INTERVENTIONS AND SANCTIONS FOR
19 DISTRICTS. (a) If a school district does not satisfy the
20 accreditation criteria under Section 39.052 [~~39.071~~], the academic
21 performance standards under Section 39.053 or 39.054 [~~39.072~~], or
22 any financial accountability standard as determined by
23 commissioner rule, the commissioner shall take any of the following
24 actions to the extent the commissioner determines necessary:

25 (1) issue public notice of the deficiency to the board
26 of trustees;

27 (2) order a hearing conducted by the board of trustees

1 of the district for the purpose of notifying the public of the
2 insufficient [~~unacceptable~~] performance, the improvements in
3 performance expected by the agency, and the sanctions that may be
4 imposed under this section if the performance does not improve;

5 (3) order the preparation of a student achievement
6 improvement plan that addresses each student achievement [~~academic~~
7 ~~excellence~~] indicator under Section 39.053(c) for which the
8 district's performance is insufficient [~~unacceptable~~], the
9 submission of the plan to the commissioner for approval, and
10 implementation of the plan;

11 (4) order a hearing to be held before the commissioner
12 or the commissioner's designee at which the president of the board
13 of trustees of the district and the superintendent shall appear and
14 explain the district's low performance, lack of improvement, and
15 plans for improvement;

16 (5) arrange an on-site investigation of the district;

17 (6) appoint an agency monitor to participate in and
18 report to the agency on the activities of the board of trustees or
19 the superintendent;

20 (7) appoint a conservator to oversee the operations of
21 the district;

22 (8) appoint a management team to direct the operations
23 of the district in areas of insufficient [~~unacceptable~~] performance
24 or require the district to obtain certain services under a contract
25 with another person;

26 (9) if a district has a current accreditation status
27 of accredited-warned or accredited-probation, fails to satisfy any

1 standard under Section 39.054(e) [~~is rated academically~~
2 ~~unacceptable~~], or fails to satisfy financial accountability
3 standards as determined by commissioner rule, appoint a board of
4 managers to exercise the powers and duties of the board of trustees;

5 (10) if for two consecutive school years, including
6 the current school year, a district has received an accreditation
7 status of accredited-warned or accredited-probation, has failed to
8 satisfy any standard under Section 39.054(e) [~~been rated~~
9 ~~academically unacceptable~~], or has failed to satisfy financial
10 accountability standards as determined by commissioner rule,
11 revoke the district's accreditation and:

12 (A) order closure of the district and annex the
13 district to one or more adjoining districts under Section 13.054;
14 or

15 (B) in the case of a home-rule school district or
16 open-enrollment charter school, order closure of all programs
17 operated under the district's or school's charter; or

18 (11) if a district has failed to satisfy any standard
19 under Section 39.054(e) [~~been rated academically unacceptable for~~
20 ~~two consecutive school years, including the current school year,~~]
21 due to the district's dropout rates, impose sanctions designed to
22 improve high school completion rates, including:

23 (A) ordering the development of a dropout
24 prevention plan for approval by the commissioner;

25 (B) restructuring the district or appropriate
26 school campuses to improve identification of and service to
27 students who are at risk of dropping out of school, as defined by

1 Section 29.081;

2 (C) ordering lower student-to-counselor ratios
3 on school campuses with high dropout rates; and

4 (D) ordering the use of any other intervention
5 strategy effective in reducing dropout rates, including mentor
6 programs and flexible class scheduling.

7 (b) This subsection applies regardless of whether a
8 district has satisfied the accreditation criteria. If for two
9 consecutive school years, including the current school year, a
10 district has had a conservator or management team assigned, the
11 commissioner may appoint a board of managers, a majority of whom
12 must be residents of the district, to exercise the powers and duties
13 of the board of trustees.

14 Sec. 39.103 [~~39.132~~]. INTERVENTIONS AND SANCTIONS FOR
15 [~~ACADEMICALLY UNACCEPTABLE~~] CAMPUSES. (a) If a campus performance
16 is below any standard under Section 39.054(e) [~~39.073(b)~~], the
17 campus is considered an accredited-warned or accredited-probation
18 campus under Section 39.101 [~~academically unacceptable campus~~].
19 The commissioner [~~may permit the campus to participate in an~~
20 ~~innovative redesign of the campus to improve campus performance or~~]
21 shall take [~~any of the other following~~] actions, to the extent the
22 commissioner determines necessary, as provided by this subchapter.

23 (b) For a campus described by Subsection (a), the
24 commissioner, to the extent the commissioner determines necessary,
25 may [+

26 [~~(1) issue public notice of the deficiency to the~~
27 ~~board of trustees,~~

1 ~~[(2) order a hearing conducted by the board of~~
2 ~~trustees at the campus for the purpose of:~~

3 ~~[(A) notifying the public of the unacceptable~~
4 ~~performance, the improvements in performance expected by the~~
5 ~~agency, and the sanctions that may be imposed under this section if~~
6 ~~the performance does not improve within a designated period of~~
7 ~~time; and~~

8 ~~[(B) soliciting public comment on the initial~~
9 ~~steps being taken to improve performance;~~

10 ~~[(3) order the preparation of a report regarding the~~
11 ~~parental involvement program at the campus and a plan describing~~
12 ~~strategies for improving parental involvement at the campus;~~

13 ~~[(4) order the preparation of a report regarding the~~
14 ~~effectiveness of the district- and campus-level planning and~~
15 ~~decision-making committees established under Subchapter F, Chapter~~
16 ~~11, and a plan describing strategies for improving the~~
17 ~~effectiveness of those committees;~~

18 ~~[(5) order the preparation of a student improvement~~
19 ~~plan that addresses each academic excellence indicator for which~~
20 ~~the campus's performance is unacceptable, the submission of the~~
21 ~~plan to the commissioner for approval, and implementation of the~~
22 ~~plan;~~

23 ~~[(6)]~~ order a hearing to be held before the
24 commissioner or the commissioner's designee at which the president
25 of the board of trustees, the superintendent, and the campus
26 principal shall appear and explain the campus's low performance,
27 lack of improvement, and plans for improvement~~;~~ ~~or~~

1 ~~[(7) appoint a campus intervention team under Section~~
2 ~~39.1322]~~.

3 (c) Notwithstanding the provisions of this subchapter, if
4 the commissioner determines that a campus subject to interventions
5 or sanctions under this subchapter has implemented substantially
6 similar intervention measures under federal accountability
7 requirements, the commissioner may accept the substantially
8 similar intervention measures as measures in compliance with this
9 subchapter.

10 Sec. 39.104 [~~39.1321~~]. INTERVENTIONS AND SANCTIONS FOR
11 CHARTER SCHOOLS. (a) Interventions and sanctions [~~Sanctions~~]
12 authorized under this chapter for a school district or campus apply
13 in the same manner to an open-enrollment charter school.

14 (b) The commissioner shall adopt rules to implement
15 procedures to impose any intervention or sanction provision under
16 this chapter as those provisions relate to open-enrollment charter
17 schools.

18 (c) In adopting rules under this section, the commissioner
19 shall require that the charter of an open-enrollment charter
20 school:

21 (1) be automatically revoked if the charter school is
22 ordered closed under this chapter; and

23 (2) be automatically modified to remove authorization
24 for an individual campus if the campus is ordered closed under this
25 chapter.

26 (d) If interventions or sanctions are imposed on an
27 open-enrollment charter school under the procedures provided by

1 this chapter, a charter school is not entitled to an additional
 2 hearing relating to the modification, placement on probation,
 3 revocation, or denial of renewal of a charter as provided by
 4 Subchapter D, Chapter 12.

5 Sec. 39.105 [~~39.1322~~]. [~~TECHNICAL ASSISTANCE AND~~] CAMPUS
 6 IMPROVEMENT PLAN [~~INTERVENTION TEAMS~~]. (a) This section applies
 7 if [~~if~~] a campus performance satisfies performance standards under
 8 Section 39.054(e) [~~is rated academically acceptable~~] for the
 9 current school year but would not satisfy performance standards
 10 under Section 39.054(e) [~~be rated as academically unacceptable~~] if
 11 the [~~performance~~] standards to be used for the following school
 12 year were applied to the current school year. On request of [~~7~~] the
 13 commissioner, the campus-level committee established under Section
 14 11.251 shall revise and submit to the commissioner in an electronic
 15 format the portions of the campus improvement plan developed under
 16 Section 11.253 that are relevant to those areas for which the campus
 17 would not satisfy performance standards [~~select and assign a~~
 18 ~~technical assistance team to assist the campus in executing a~~
 19 ~~school improvement plan and any other school improvement strategies~~
 20 ~~the commissioner determines appropriate. The commissioner may~~
 21 ~~waive the requirement to assign a technical assistance team under~~
 22 ~~this subsection if the improvement in performance standards among~~
 23 ~~all student groups, including special populations, over the~~
 24 ~~preceding three years indicates that the campus is likely to be~~
 25 ~~rated academically acceptable in the following school year~~].

26 (b) If the [~~a~~] campus to which this section applies is an
 27 open-enrollment charter school, the school shall establish a

1 campus-level planning and decision-making committee as provided
 2 for through procedures as much as practicable the same as those
 3 provided by Sections 11.251(b)-(e) and develop a campus improvement
 4 plan as provided by Section 11.253. On request of the commissioner,
 5 the school shall submit to the commissioner in an electronic format
 6 the portions of the campus improvement plan that are relevant to
 7 those areas for which the campus would not satisfy performance
 8 standards [~~has been identified as academically unacceptable under~~
 9 ~~Section 39.132, the commissioner shall appoint a campus~~
 10 ~~intervention team.~~

11 [~~(c) To the extent practicable, the commissioner shall~~
 12 ~~select and assign the technical assistance team under Subsection~~
 13 ~~(a) or the campus intervention team under Subsection (b) before the~~
 14 ~~first day of instruction for the school year.~~

15 [~~(d) The commissioner may determine when the services of a~~
 16 ~~technical assistance team or campus intervention team are no longer~~
 17 ~~needed at a campus under this section].~~

18 Sec. 39.106 [~~39.1323~~]. CAMPUS INTERVENTION TEAM
 19 [~~PROCEDURES~~]. (a) If a campus performance is below any standard
 20 under Section 39.054(e), the commissioner shall assign a campus
 21 intervention team. A campus intervention team shall:

22 (1) conduct:

23 (A) a targeted [~~comprehensive~~] on-site needs
 24 assessment relevant to an area of insufficient performance
 25 [~~evaluation~~] of the campus as provided by Subsection (b) [~~to~~
 26 ~~determine the cause for the campus's low performance and lack of~~
 27 ~~progress]; or~~

1 (B) if the commissioner determines necessary, a
2 comprehensive on-site needs assessment, using the procedures
3 provided by Subsection (b);

4 (2) recommend appropriate actions as provided by
5 Subsection (c) [~~including reallocation of resources and technical~~
6 ~~assistance, changes in school procedures or operations, staff~~
7 ~~development for instructional and administrative staff,~~
8 ~~intervention for individual administrators or teachers, waivers~~
9 ~~from state statute or rule, or other actions the team considers~~
10 ~~appropriate~~];

11 (3) assist in the development of a targeted [~~school~~]
12 improvement plan [~~for student achievement~~]; [~~and~~]

13 (4) assist the campus in submitting the targeted
14 improvement plan to the board of trustees for approval and
15 presenting the plan in a public hearing as provided by Subsection
16 (e-1); and

17 (5) assist the commissioner in monitoring the progress
18 of the campus in implementing the targeted [~~school~~] improvement
19 plan [~~for improvement of student achievement~~].

20 (b) An [~~A campus intervention team assigned under Section~~
21 ~~39.1322 to a campus shall conduct a comprehensive~~] on-site needs
22 assessment of the campus under Subsection (a) must [~~to~~] determine
23 the contributing [~~causal~~] factors resulting in the campus's low
24 performance and lack of progress. The team shall use any of the
25 following guidelines and procedures relevant to any area of
26 insufficient performance in conducting a targeted on-site needs
27 assessment and shall use each of the following guidelines and

1 procedures in conducting a [the] comprehensive on-site needs
2 assessment [~~of the campus~~]:

3 (1) an assessment of the staff to determine the
4 percentage of certified teachers who are teaching in their field,
5 the number of teachers with less than three years of experience, and
6 teacher turnover rates;

7 (2) compliance with the appropriate class-size rules
8 and number of class-size waivers received;

9 (3) an assessment of the quality, quantity, and
10 appropriateness of instructional materials, including the
11 availability of technology-based instructional materials;

12 (4) a report on the parental involvement strategies
13 and the effectiveness of the strategies;

14 (5) an assessment of the extent and quality of the
15 mentoring program provided for new teachers on the campus;

16 (6) an assessment of the type and quality of the
17 professional development provided to the staff;

18 (7) a demographic analysis of the student population,
19 including student demographics, at-risk populations, and special
20 education percentages;

21 (8) a report of disciplinary incidents and school
22 safety information;

23 (9) financial and accounting practices;

24 (10) an assessment of the appropriateness of the
25 curriculum and teaching strategies; and

26 (11) any other research-based data or information
27 obtained from a data collection process that would assist the

1 campus intervention team in:

2 (A) recommending an action under Subsection (c);
3 and

4 (B) executing a targeted [~~school~~] improvement
5 plan under Subsection (d-1) [~~(d)~~].

6 (c) On completing the on-site needs assessment [~~evaluation~~]
7 under this section, the campus intervention team shall recommend
8 actions relating to any area of insufficient performance,
9 including:

- 10 (1) reallocation of resources;
11 (2) technical assistance;
12 (3) changes in school procedures or operations;
13 (4) staff development for instructional and
14 administrative staff;
15 (5) intervention for individual administrators or
16 teachers;
17 (6) waivers from state statutes or rules; or
18 (7) other actions the campus intervention team
19 considers appropriate.

20 (d) The campus intervention team shall assist the campus in
21 submitting the targeted improvement plan to the commissioner for
22 approval.

23 (d-1) In executing the targeted [~~a school~~] improvement plan
24 [~~developed under Subsection (a)(3)~~], the campus intervention team
25 shall, if appropriate:

- 26 (1) assist the campus in implementing research-based
27 practices for curriculum development and classroom instruction,

1 including bilingual education and special education programs[~~, if~~
2 ~~appropriate,~~] and financial management; and

3 (2) provide research-based technical assistance,
4 including data analysis, academic deficiency identification,
5 intervention implementation, and budget analysis, to strengthen
6 and improve the instructional programs at the campus[~~, and~~

7 ~~(3) submit the school improvement plan to the~~
8 ~~commissioner for approval].~~

9 (e) For each year a campus is assigned an accreditation
10 status below accredited, a [A] campus intervention team shall
11 [appointed under Section 39.1322(b)]:

12 (1) [~~shall~~] continue to work with a campus until:

13 (A) the campus satisfies all performance
14 standards under Section 39.054(e) [is rated academically
15 acceptable] for a two-year period; or

16 (B) the campus satisfies all performance
17 standards under Section 39.054(e) [is rated academically
18 acceptable] for a one-year period and the commissioner determines
19 that the campus is operating and will continue to operate in a
20 manner that improves student achievement; [~~and~~]

21 (2) assist in updating the targeted improvement plan
22 to identify and analyze areas of growth and areas that require
23 improvement; and

24 (3) submit each updated plan described by Subdivision
25 (2) to the board of trustees of the school district [may continually
26 update the school improvement plan, with approval from the
27 commissioner, to meet the needs of the campus].

1 (e-1) After a targeted improvement plan or updated plan is
2 submitted to the board of trustees of the school district, the
3 board:

4 (1) shall conduct a hearing for the purpose of:

5 (A) notifying the public of the insufficient
6 performance, the improvements in performance expected by the
7 agency, and the intervention measures or sanctions that may be
8 imposed under this subchapter if the performance does not improve
9 within a designated period; and

10 (B) soliciting public comment on the targeted
11 improvement plan or any updated plan;

12 (2) may conduct one hearing relating to one or more
13 campuses subject to a targeted improvement plan or an updated plan;
14 and

15 (3) shall submit the targeted improvement plan or any
16 updated plan to the commissioner for approval.

17 (f) Notwithstanding any other provision of this subchapter,
18 if the commissioner determines that a campus for which an
19 intervention is ordered under Subsection (a) [~~Section 39.1322(b)~~]
20 is not fully implementing the campus intervention team's
21 recommendations or targeted [~~school~~] improvement plan, the
22 commissioner may order the reconstitution of the campus as provided
23 by Section 39.107.

24 Sec. 39.107 [~~39.1324~~]. RECONSTITUTION, REPURPOSING,
25 ALTERNATIVE MANAGEMENT, AND CLOSURE [~~MANDATORY SANCTIONS~~]. (a)
26 Unless otherwise provided under the procedures for approval of an
27 updated targeted improvement plan under Section 39.106(e-1) or this

1 subsection, after [~~If~~] a campus has been identified as
 2 accredited-warned under Section 39.101 [~~academically unacceptable~~]
 3 for two consecutive school years, the campus is considered to have
 4 an accredited-probation status under Section 39.101 and [~~including~~
 5 ~~the current school year,~~] the commissioner shall order the
 6 reconstitution of the campus [~~and assign a campus intervention~~
 7 ~~team~~]. The commissioner may waive the requirement to order
 8 reconstitution for not more than one school year if the
 9 commissioner determines that, on the basis of significant
 10 improvement in student performance over the preceding two school
 11 years, the campus is likely to be assigned an accredited status for
 12 the following school year.

13 (a-1) In reconstituting a [~~the~~] campus, a campus
 14 intervention team shall assist the campus in:

15 (1) developing an updated targeted [~~a school~~]
 16 improvement plan;

17 (2) submitting the updated targeted improvement plan
 18 to the board of trustees of the school district for approval and
 19 presenting the plan in a public hearing as provided by Section
 20 39.106(e-1);

21 (3) [~~(2)~~] obtaining approval of the updated plan from
 22 the commissioner; and

23 (4) [~~(3)~~] executing the plan on approval by the
 24 commissioner.

25 (b) The campus intervention team shall decide which
 26 educators may be retained at that campus. A principal who has been
 27 employed by the campus in that capacity during the full [~~two-year~~]

1 period described by Subsection (a) may not be retained at that
2 campus unless the school district determines that retention is
3 appropriate under Section 39.236.

4 (b-1) A teacher of a subject assessed by an assessment
5 instrument under Section 39.023 may be retained only if the campus
6 intervention team determines that a pattern exists of significant
7 academic improvement by students taught by the teacher. If an
8 educator is not retained, the educator may be assigned to another
9 position in the district.

10 (b-2) For each year that a campus is considered to have an
11 accredited-probation status under Section 39.101, a campus
12 intervention team shall:

13 (1) assist in updating the targeted improvement plan
14 to identify and analyze areas of growth and areas that require
15 improvement;

16 (2) submit the updated plan to the board of trustees of
17 the school district; and

18 (3) assist in submitting the updated plan to the
19 commissioner for approval.

20 (c) A campus subject to Subsection (a) shall implement the
21 updated targeted [~~school~~] improvement plan as approved by the
22 commissioner. The commissioner may appoint a monitor, conservator,
23 management team, or [~~a~~] board of managers to the district to ensure
24 and oversee district-level support to low-performing campuses and
25 the implementation of the updated targeted [~~school~~] improvement
26 plan. In making appointments under this subsection, the
27 commissioner shall consider individuals who have demonstrated

1 success in managing campuses with student populations similar to
2 the campus at which the individual appointed will serve.

3 (d) If [~~Notwithstanding any other provision of this~~
4 ~~subchapter, if~~] the commissioner determines that the [~~a~~] campus
5 [~~subject to Subsection (a)~~] is not fully implementing the updated
6 targeted [~~school~~] improvement plan or if the students enrolled at
7 the campus fail to demonstrate substantial improvement in the areas
8 targeted by the updated plan, the commissioner may order:

9 (1) repurposing of the campus under this section;

10 (2) [~~pursue~~] alternative management of the campus
11 under this section; [~~Section 39.1327~~] or

12 (3) [~~may order~~] closure of the campus.

13 (e) [~~If a campus is considered an academically unacceptable~~
14 ~~campus for the subsequent school year after the campus is~~
15 ~~reconstituted under this section, the commissioner shall review the~~
16 ~~progress of the campus and may order closure of the campus or pursue~~
17 ~~alternative management under Section 39.1327.~~

18 [~~(f)~~] If a campus is considered to have
19 accredited-probation status under Section 39.101 [~~considered~~
20 ~~academically unacceptable~~] for three [~~two~~] consecutive school
21 years after the campus is reconstituted under Subsection (a), the
22 commissioner shall order:

23 (1) repurposing of the campus under this section;

24 (2) alternative management of the campus under this
25 section; or

26 (3) closure of the campus [~~or pursue alternative~~
27 ~~management under Section 39.1327~~].

1 (e-1) The commissioner may waive the requirement to enter an
2 order under Subsection (e) for not more than one school year if the
3 commissioner determines that, on the basis of significant
4 improvement in student performance over the preceding two school
5 years, the campus is likely to be assigned an accredited status for
6 the following school year.

7 (f) If the commissioner orders repurposing of a campus, the
8 school district shall develop a comprehensive plan for repurposing
9 the campus and submit the plan to the board of trustees for
10 approval, using the procedures described by Section 39.106(e-1),
11 and to the commissioner for approval. The plan must include a
12 description of a rigorous and relevant academic program for the
13 campus. The plan may include various instructional models. The
14 commissioner may not approve the repurposing of a campus unless:

15 (1) all students in the assigned attendance zone of
16 the campus in the school year immediately preceding the repurposing
17 of the campus are provided with the opportunity to enroll in and are
18 provided transportation on request to another campus, unless the
19 commissioner grants an exception because there is no other campus
20 in the district in which the students may enroll;

21 (2) the principal is not retained at the campus; and

22 (3) at least 75 percent of the teachers employed at the
23 campus in the school year immediately preceding the repurposing of
24 the campus are not retained at the campus, unless the commissioner
25 or the commissioner's designee grants an exception, at the request
26 of a school district, for:

27 (A) a teacher who provides instruction in a

1 subject other than a subject for which an assessment instrument is
2 administered under Section 39.023(a) or (c) who demonstrates to the
3 commissioner satisfactory performance; or

4 (B) a teacher who provides instruction in a
5 subject for which an assessment instrument is administered under
6 Section 39.023(a) or (c) if the district demonstrates that the
7 students of the teacher demonstrated satisfactory performance or
8 improved academic growth on that assessment instrument.

9 (g) If an educator is not retained under Subsection (f), the
10 educator may be assigned to another position in the district.

11 (h) [~~Sec. 39.1327. MANAGEMENT OF CERTAIN ACADEMICALLY~~
12 UNACCEPTABLE CAMPUSES. (a) A campus may be subject to this section
13 if the campus has been identified as academically unacceptable
14 under Section 39.132 and the commissioner orders alternative
15 management under Section 39.1324(d), (e), or (f).

16 [(b)] The commissioner shall solicit proposals from
17 qualified [nonprofit] entities to assume management of a campus
18 subject to this section or may appoint to assume management of a
19 campus subject to this section a school district other than the
20 district in which the campus is located that is located in the
21 boundaries of the same regional education service center as the
22 campus is located. A district appointed under this section shall
23 assume management of a campus subject to this section in the same
24 manner provided by this section for a qualified [nonprofit] entity
25 or in accordance with commissioner rule.

26 (i) [(e)] If the commissioner determines that the basis for
27 identifying a campus as accredited-probation [academically

1 ~~unacceptable~~] is limited to a specific condition that may be
2 remedied with targeted technical assistance, the commissioner may:

3 (1) provide the campus a one-year waiver under this
4 section; and

5 (2) require the district to contract for the
6 appropriate technical assistance.

7 (j) [~~(d)~~] The commissioner may annually solicit proposals
8 under this section for the management of a campus subject to this
9 section. The commissioner shall notify a qualified [~~nonprofit~~]
10 entity that has been approved as a provider under this section. The
11 district must execute a contract with an approved provider and
12 relinquish control of the campus before January 1 of the school
13 year.

14 (k) [~~(e)~~] To qualify for consideration as a managing entity
15 under this section, the entity must submit a proposal that provides
16 information relating to the entity's management and leadership team
17 that will participate in management of the campus under
18 consideration, including information relating to individuals that
19 have:

20 (1) documented success in whole school interventions
21 that increased the educational and performance levels of students
22 in [~~academically unacceptable~~] campuses considered to have an
23 accredited-warned or accredited-probation status under Section
24 39.101;

25 (2) a proven record of effectiveness with programs
26 assisting low-performing students;

27 (3) a proven ability to apply research-based school

1 intervention strategies;

2 (4) a proven record of financial ability to perform
3 under the management contract; and

4 (5) any other experience or qualifications the
5 commissioner determines necessary.

6 (1) [~~(f)~~] In selecting a managing entity under this
7 section, the commissioner shall give preference to a qualified
8 [~~nonprofit~~] entity that:

9 (1) meets any qualifications under this section; and

10 (2) has documented success in educating students from
11 similar demographic groups and with similar educational needs as
12 the students who attend the campus that is to be operated by a
13 managing entity under this section.

14 (m) [~~(g)~~] The school district may negotiate the term of a
15 management contract for not more than five years with an option to
16 renew the contract. The management contract must include a
17 provision describing the district's responsibilities in supporting
18 the operation of the campus. The commissioner shall approve the
19 contract before the contract is executed and, as appropriate, may
20 require the district, as a term of the contract, to support the
21 campus in the same manner as the district was required to support
22 the campus before the execution of the management contract.

23 (n) [~~(h)~~] A management contract under this section shall
24 include provisions approved by the commissioner that require the
25 managing entity to demonstrate improvement in campus performance,
26 including negotiated performance measures. The performance
27 measures must be consistent with the priorities of this chapter.

1 The commissioner shall evaluate a managing entity's performance on
2 the first and second anniversaries of the date of the management
3 contract. If the evaluation fails to demonstrate improvement as
4 negotiated under the contract by the first anniversary of the date
5 of the management contract, the district may terminate the
6 management contract, with the commissioner's consent, for
7 nonperformance or breach of contract and select another provider
8 from an approved list provided by the commissioner. If the
9 evaluation fails to demonstrate significant improvement, as
10 determined by the commissioner, by the second anniversary of the
11 date of the management contract, the district shall terminate the
12 management contract and select another provider from an approved
13 list provided by the commissioner or resume operation of the campus
14 if approved by the commissioner. If the commissioner approves the
15 district's operation of the campus, the commissioner shall assign a
16 technical assistance team to assist the campus.

17 (o) [~~(i)~~] Notwithstanding any other provision of this code,
18 the funding for a campus operated by a managing entity must be not
19 less than the funding of the other campuses in the district on a per
20 student basis so that the managing entity receives at least the same
21 funding the campus would otherwise have received.

22 (p) [~~(j)~~] Each campus operated by a managing entity under
23 this section is subject to this chapter in the same manner as any
24 other campus in the district.

25 (q) [~~(k)~~] The commissioner may adopt rules necessary to
26 implement this section.

27 (r) [~~(l)~~] With respect to the management of a campus under

1 this section:

2 (1) a managing entity is considered to be a
3 governmental body for purposes of Chapters 551 and 552, Government
4 Code; and

5 (2) any requirement in Chapter 551 or 552, Government
6 Code, that applies to a school district or the board of trustees of
7 a school district applies to a managing entity.

8 Sec. 39.108 [~~39.133~~]. ANNUAL REVIEW. The commissioner
9 shall review annually the performance of a district or campus
10 subject to this subchapter to determine the appropriate actions to
11 be implemented under this subchapter. The commissioner must review
12 at least annually the performance of a district for which the
13 accreditation status under Subchapter C [~~rating~~] has been lowered
14 due to insufficient [~~unacceptable~~] student performance and may not
15 raise the accreditation status under Subchapter C [~~rating~~] until
16 the district has demonstrated improved student performance. If the
17 review reveals a lack of improvement, the commissioner shall
18 increase the level of state intervention and sanction unless the
19 commissioner finds good cause for maintaining the current status.

20 Sec. 39.109 [~~39.1331~~]. ACQUISITION OF PROFESSIONAL
21 SERVICES. In addition to other interventions and sanctions
22 authorized under this subchapter [~~Sections 39.131 and 39.132~~], the
23 commissioner may order a school district or campus to acquire
24 professional services at the expense of the district or campus to
25 address the applicable financial, assessment, data quality,
26 program, performance, or governance deficiency. The
27 commissioner's order may require the district or campus to:

1 (1) select or be assigned an external auditor, data
2 quality expert, professional authorized to monitor district
3 assessment instrument administration, or curriculum or program
4 expert; or

5 (2) provide for or participate in the appropriate
6 training of district staff or board of trustees members in the case
7 of a district, or campus staff, in the case of a campus.

8 Sec. 39.110 [~~39.134~~]. COSTS PAID BY DISTRICT. The costs of
9 providing a monitor, conservator, management team, campus
10 intervention team, technical assistance team, managing entity, or
11 service provider under this subchapter [~~Section 39.1327, or service~~
12 ~~provider under Section 39.1331~~] shall be paid by the district. If
13 the district fails or refuses to pay the costs in a timely manner,
14 the commissioner may:

15 (1) pay the costs using amounts withheld from any
16 funds to which the district is otherwise entitled; or

17 (2) recover the amount of the costs in the manner
18 provided for recovery of an overallocation of state funds under
19 Section 42.258.

20 Sec. 39.111 [~~39.135~~]. CONSERVATOR OR MANAGEMENT TEAM. (a)
21 The commissioner shall clearly define the powers and duties of a
22 conservator or management team appointed to oversee the operations
23 of the district.

24 (b) At least every 90 days, the commissioner shall review
25 the need for the conservator or management team and shall remove the
26 conservator or management team unless the commissioner determines
27 that continued appointment is necessary for effective governance of

1 the district or delivery of instructional services.

2 (c) A conservator or management team, if directed by the
3 commissioner, shall prepare a plan for the implementation of action
4 under Section 39.102(a)(9) [~~39.131(a)(9)~~] or (10). The conservator
5 or management team:

6 (1) may direct an action to be taken by the principal
7 of a campus, the superintendent of the district, or the board of
8 trustees of the district;

9 (2) may approve or disapprove any action of the
10 principal of a campus, the superintendent of the district, or the
11 board of trustees of the district;

12 (3) may not take any action concerning a district
13 election, including ordering or canceling an election or altering
14 the date of or the polling places for an election;

15 (4) may not change the number of or method of selecting
16 the board of trustees;

17 (5) may not set a tax rate for the district; and

18 (6) may not adopt a budget for the district that
19 provides for spending a different amount, exclusive of required
20 debt service, from that previously adopted by the board of
21 trustees.

22 Sec. 39.112 [~~39.136~~]. BOARD OF MANAGERS. (a) A board of
23 managers may exercise all of the powers and duties assigned to a
24 board of trustees of a school district by law, rule, or regulation.
25 This subchapter applies to a district governed by a board of
26 managers in the same manner that this subchapter applies to any
27 other district.

1 (b) If the commissioner appoints a board of managers to
2 govern a district, the powers of the board of trustees of the
3 district are suspended for the period of the appointment and the
4 commissioner shall appoint a district superintendent.
5 Notwithstanding any other provision of this code, the board of
6 managers may amend the budget of the district.

7 (c) If the commissioner appoints a board of managers to
8 govern a campus, the powers of the board of trustees of the district
9 in relation to the campus are suspended for the period of the
10 appointment and the commissioner shall appoint a campus principal.
11 Notwithstanding any other provision of this code, the board of
12 managers may submit to the commissioner for approval amendments to
13 the budget of the district for the benefit of the campus. If the
14 commissioner approves the amendments, the board of trustees of the
15 district shall adopt the amendments.

16 (d) A conservator or a member of a management team appointed
17 to serve on a board of managers may continue to be compensated as
18 determined by the commissioner.

19 (e) At the direction of the commissioner but not later than
20 the second anniversary of the date the board of managers of a
21 district was appointed, the board of managers shall order an
22 election of members of the district board of trustees. The election
23 must be held on a uniform election date on which an election of
24 district trustees may be held under Section 41.001, Election Code,
25 that is at least 180 days after the date the election was ordered.
26 On qualification of members for office, the board of trustees
27 assumes all of the powers and duties assigned to a board of trustees

1 by law, rule, or regulation.

2 Sec. 39.113 [~~39.137~~]. ~~[SPECIAL]~~ CAMPUS INTERVENTION TEAM.
3 A ~~[special]~~ campus intervention team appointed under this
4 subchapter may consist of teachers, principals, other educational
5 professionals, and superintendents recognized for excellence in
6 their roles and appointed by the commissioner to serve as members of
7 a team.

8 Sec. 39.114 [~~39.138~~]. IMMUNITY FROM CIVIL LIABILITY. An
9 employee, volunteer, or contractor acting on behalf of the
10 commissioner under this subchapter is immune from civil liability
11 to the same extent as a professional employee of a school district
12 under Section 22.051.

13 Sec. 39.115. CAMPUS NAME CHANGE PROHIBITED. In
14 reconstituting, repurposing, or imposing any other intervention or
15 sanction on a campus under this subchapter, other than closure, the
16 commissioner may not require that the name of the campus be changed.

17 Sec. 39.116. TRANSITIONAL INTERVENTIONS AND SANCTIONS. (a)
18 The commissioner by rule shall adopt transition procedures for
19 implementing interventions and sanctions as established under
20 ___B. No. 3, Acts of the 81st Legislature, Regular Session, 2009,
21 including a provision providing for a school year in which school
22 districts and campuses are required only to report information as
23 required by this chapter.

24 (b) The commissioner must include a provision in the
25 procedures adopted under Subsection (a):

26 (1) except as provided by Subdivision (2), prohibiting
27 the implementation of interventions and sanctions based on district

1 and campus performance for the school year in which school
2 districts and campuses are required only to report information; and
3 (2) permitting an increase in intervention or sanction
4 measures on a district or campus based on district and campus
5 performance for the school year in which school districts and
6 campuses are required only to report information only if the
7 district or campus fails to make improvement in student
8 achievement.

9 (c) This subsection expires September 1, 2015.

10 SUBCHAPTER F [~~K~~]. PROCEDURES FOR CHALLENGE OF ACCREDITATION
11 STATUS, ACCOUNTABILITY DETERMINATION, INTERVENTION, [RATING] OR
12 SANCTION

13 Sec. 39.151 [~~39.301~~]. REVIEW BY COMMISSIONER:
14 ACCREDITATION STATUS OR ACCOUNTABILITY DETERMINATION [RATINGS].

15 (a) The commissioner by rule shall provide a process for a school
16 district or open-enrollment charter school to challenge an agency
17 decision made under this chapter relating to an academic or
18 financial accountability rating that affects the district or
19 school.

20 (b) The rules under Subsection (a) must provide for the
21 commissioner to appoint a committee to make recommendations to the
22 commissioner on a challenge made to an agency decision relating to
23 an academic performance rating or determination or financial
24 accountability rating. The commissioner may not appoint an agency
25 employee as a member of the committee.

26 (c) The commissioner may limit a challenge under this
27 section to a written submission of any issue identified by the

1 school district or open-enrollment charter school challenging the
2 agency decision.

3 (d) The commissioner shall make a final decision under this
4 section after considering the recommendation of the committee
5 described by Subsection (b). The commissioner's decision may not
6 be appealed under Section 7.057 or other law.

7 (e) A school district or open-enrollment charter school may
8 not challenge an agency decision relating to an academic or
9 financial accountability rating under this chapter in another
10 proceeding if the district or school has had an opportunity to
11 challenge the decision under this section.

12 Sec. 39.152 [~~39.302~~]. REVIEW BY STATE OFFICE OF
13 ADMINISTRATIVE HEARINGS: SANCTIONS. (a) A school district or
14 open-enrollment charter school that intends to challenge a decision
15 by the commissioner under this chapter to close the district or a
16 district campus or the charter school or to pursue alternative
17 management of a district campus or the charter school must appeal
18 the decision under the procedures provided for a contested case
19 under Chapter 2001, Government Code.

20 (b) A challenge to a decision under this section is under
21 the substantial evidence rule as provided by Subchapter G, Chapter
22 2001, Government Code.

23 (c) Notwithstanding other law:

24 (1) the State Office of Administrative Hearings shall
25 provide an expedited review of a challenge under this section;

26 (2) the administrative law judge shall issue a final
27 order not later than the 30th day after the date on which the

1 hearing is finally closed; and

2 (3) the decision of the administrative law judge is
3 final and may not be appealed.

4 SUBCHAPTER G. DISTINCTION DESIGNATIONS

5 Sec. 39.201. CAMPUS DISTINCTION DESIGNATIONS. (a) Not
6 later than August 8 of each year, the commissioner shall award
7 distinction designations under this subchapter. A campus may not
8 be awarded a distinction designation under this subchapter unless
9 the campus has acceptable performance under Section 39.054.

10 (b) The commissioner shall award a campus a distinction
11 designation if the campus is ranked in the top 25 percent of
12 campuses in the state in annual improvement in student achievement
13 as determined under Section 39.034.

14 (c) In addition to the distinction designation described by
15 Subsection (b), the commissioner shall award a campus a distinction
16 designation if the campus demonstrates an ability to significantly
17 diminish or eliminate performance differentials between student
18 subpopulations. The commissioner shall adopt rules related to the
19 distinction designation under this subsection to ensure that a
20 campus does not artificially diminish or eliminate performance
21 differentials through inhibiting the achievement of the highest
22 achieving student subpopulation.

23 (d) In addition to the distinction designations described
24 by Subsections (b) and (c), a campus that satisfies the criteria
25 developed under Section 39.202 shall be awarded a distinction
26 designation by the commissioner for the following programs or the
27 following specific categories of performance:

- 1 (1) academic achievement in English language arts,
2 mathematics, science, or social studies;
- 3 (2) fine arts;
- 4 (3) physical education;
- 5 (4) 21st Century Workforce Development program; and
- 6 (5) second language acquisition program.

7 Sec. 39.202. CAMPUS DISTINCTION DESIGNATION CRITERIA;
8 COMMITTEES. (a) The commissioner by rule shall establish:

- 9 (1) standards for considering campuses for
10 distinction designations under Section 39.201(d); and
- 11 (2) methods for awarding distinction designations to
12 campuses.

13 (b) In adopting rules under this section, the commissioner
14 shall establish a separate committee to develop criteria for each
15 distinction designation under Section 39.201(d).

16 (c) Each committee established under this section must
17 include:

- 18 (1) individuals who practice as professionals in the
19 content area relevant to the distinction designation, as
20 applicable;
- 21 (2) individuals with subject matter expertise in the
22 content area relevant to the distinction designation;
- 23 (3) educators with subject matter expertise in the
24 content area relevant to the distinction designation; and
- 25 (4) community leaders, including leaders from the
26 business community.

27 (d) For each committee, the governor, lieutenant governor,

1 and speaker of the house of representatives may each appoint a
2 person described by each subdivision of Subsection (c).

3 (e) In developing criteria for distinction designations
4 under this section, each committee shall:

5 (1) identify a variety of indicators for measuring
6 excellence; and

7 (2) consider categories for distinction designations,
8 with criteria relevant to each category, based on:

9 (A) the level of a program, whether elementary
10 school, middle or junior high school, or high school; and

11 (B) the student enrollment of a campus.

12 SUBCHAPTER H [~~F~~]. ADDITIONAL REWARDS

13 Sec. 39.231 [~~39.111~~]. RECOGNITION AND REWARDS. The
14 commissioner [~~State Board of Education~~] shall develop a plan for
15 recognizing and rewarding school [~~districts and~~] campuses that
16 receive a distinction designation under Subchapter G and develop
17 [~~are rated as exemplary or recognized and for developing~~] a network
18 for sharing proven successful practices statewide and regionally.
19 The reward may be used to provide educators with summer stipends to
20 develop curricula based on the cited successful strategies. The
21 educators may copyright the curricula they develop.

22 Sec. 39.232 [~~39.112~~]. DISTINCTION [~~EXCELLENCE~~] EXEMPTIONS.

23 (a) Except as provided by Subsection (b), a school campus [~~or~~
24 ~~district~~] that holds a distinction designation under Section
25 39.201(b) or (d)(1) [~~is rated exemplary~~] is exempt from
26 requirements and prohibitions imposed under this code including
27 rules adopted under this code.

1 (b) A school campus [~~or district~~] is not exempt under this
2 section from:

3 (1) a prohibition on conduct that constitutes a
4 criminal offense;

5 (2) requirements imposed by federal law or rule,
6 including requirements for special education or bilingual
7 education programs; or

8 (3) a requirement, restriction, or prohibition
9 relating to:

10 (A) curriculum essential knowledge and skills
11 under Section 28.002 or high school [~~minimum~~] graduation
12 requirements under Section 28.025;

13 (B) public school accountability as provided by
14 Subchapters B, C, D, E, and J [~~G~~];

15 (C) extracurricular activities under Section
16 33.081;

17 (D) health and safety under Chapter 38;

18 (E) purchasing [~~competitive bidding~~] under
19 Subchapter B, Chapter 44;

20 (F) elementary school class size limits, except
21 as provided by Subsection (d) or Section 25.112;

22 (G) removal of a disruptive student from the
23 classroom under Subchapter A, Chapter 37;

24 (H) at risk programs under Subchapter C, Chapter
25 29;

26 (I) prekindergarten programs under Subchapter E,
27 Chapter 29;

- 1 (J) rights and benefits of school employees;
2 (K) special education programs under Subchapter
3 A, Chapter 29; or
4 (L) bilingual education programs under
5 Subchapter B, Chapter 29.

6 (c) The agency shall monitor and evaluate deregulation of a
7 school campus [~~or district~~] under this section and Section 7.056.

8 (d) The commissioner may exempt a [~~an exemplary~~] school
9 campus that receives a distinction designation under Section
10 39.201(b) or (d)(1) from elementary class size limits under this
11 section if the school campus submits to the commissioner a written
12 plan showing steps that will be taken to ensure that the exemption
13 from the class size limits will not be harmful to the academic
14 achievement of the students on the school campus. The commissioner
15 shall review achievement levels annually. The exemption remains in
16 effect until the commissioner determines that achievement levels of
17 the campus have declined.

18 Sec. 39.233 [~~39.113~~]. RECOGNITION OF HIGH SCHOOL
19 COMPLETION AND SUCCESS AND COLLEGE READINESS PROGRAMS. (a) The
20 agency shall:

21 (1) develop standards for evaluating the success and
22 cost-effectiveness of high school completion and success and
23 college readiness programs implemented under Section 39.234
24 [~~39.114~~];

25 (2) provide guidance for school districts and campuses
26 in establishing and improving high school completion and success
27 and college readiness programs implemented under Section 39.234

1 [~~39.114~~]; and

2 (3) develop standards for selecting and methods for
3 recognizing school districts and campuses that offer exceptional
4 high school completion and success and college readiness programs
5 under Section 39.234 [~~39.114~~].

6 (b) The commissioner may adopt rules for the administration
7 of this section.

8 Sec. 39.234 [~~39.114~~]. HIGH SCHOOL ALLOTMENT. (a) Except
9 as provided by Subsection (b), a school district or campus must use
10 funds allocated under Section 42.2516(b)(3) to:

11 (1) implement or administer a college readiness
12 program that provides academic support and instruction to prepare
13 underachieving students for entrance into an institution of higher
14 education;

15 (2) implement or administer a program that encourages
16 students to pursue advanced academic opportunities, including
17 early college high school programs and dual credit, advanced
18 placement, and international baccalaureate courses;

19 (3) implement or administer a program that provides
20 opportunities for students to take academically rigorous course
21 work, including four years of mathematics and four years of science
22 at the high school level;

23 (4) implement or administer a program, including
24 online course support and professional development, that aligns the
25 curriculum for grades six through 12 with postsecondary curriculum
26 and expectations; or

27 (5) implement or administer other high school

1 completion and success initiatives in grades six through 12
2 approved by the commissioner.

3 (b) A school district may use funds allocated under Section
4 42.2516(b)(3) on any instructional program in grades six through 12
5 other than an athletic program if:

6 (1) the district's measure of progress toward college
7 readiness is determined exceptional by a standard set [~~district is~~
8 ~~recognized as exceptional~~] by the commissioner [~~under the academic~~
9 ~~accountability indicator adopted under Section 39.051(b)(13)~~]; and

10 (2) the district's completion rates for grades nine
11 through 12 [~~meet or~~] exceed completion rate standards required by
12 the commissioner to achieve a status of accredited under Section
13 39.051 [~~rating of exemplary under Section 39.072~~].

14 (b-1) Subsection (b) applies beginning with the 2008-2009
15 school year. This subsection expires September 1, 2009.

16 (c) An open-enrollment charter school is entitled to an
17 allotment under this section in the same manner as a school
18 district.

19 (d) The commissioner shall adopt rules to administer this
20 section, including rules related to the permissible use of funds
21 allocated under this section to an open-enrollment charter school.

22 Sec. 39.235 [~~39.115~~]. HIGH SCHOOL INNOVATION GRANT
23 INITIATIVE. (a) From funds appropriated for that purpose, the
24 commissioner may establish a grant program under which grants are
25 awarded to secondary campuses and school districts to support:

26 (1) the implementation of innovative high school
27 improvement programs that are based on the best available research

1 regarding high school reform, dropout prevention, and preparing
2 students for postsecondary coursework or employment;

3 (2) enhancing education practices that have been
4 demonstrated by significant evidence of effectiveness; and

5 (3) the alignment of grants and programs to the
6 strategic plan adopted under Section 39.407 [~~39.357~~].

7 (b) Before awarding a grant under this section, the
8 commissioner may require a campus or school district to:

9 (1) obtain local matching funds; or

10 (2) meet other conditions, including developing a
11 personal graduation plan under Section 28.0212 for each student
12 enrolled at the campus or in a district high school.

13 (c) The commissioner may:

14 (1) accept gifts, grants, or donations from a private
15 foundation to implement a grant program under this section; and

16 (2) coordinate gifts, grants, or donations with other
17 available funding to implement a grant program under this section.

18 (d) The commissioner may use funds appropriated under this
19 section to support technical assistance services for school
20 districts and open-enrollment charter schools to implement a high
21 school improvement program under this section.

22 Sec. 39.236 [~~39.116~~]. INITIATIVE FOR RETAINING QUALITY
23 EDUCATORS. Notwithstanding Section 39.107(b) [~~39.1324(b)~~], a
24 school district, to assist in preventing dropouts and disruptions
25 that may result from certain mandatory sanctions, may retain at a
26 campus a principal who has been employed at the campus as a
27 principal during the [~~two-year~~] period described by Section

1 39.107(a) [~~39.1324(a)~~] if the students enrolled at the campus have
2 demonstrated a pattern of significant academic improvement.

3 Sec. 39.237. GIFTED AND TALENTED STANDARDS. The
4 commissioner shall adopt standards to evaluate school district
5 programs for gifted and talented students to determine whether a
6 district operates a program for gifted and talented students in
7 accordance with:

8 (1) the Texas Performance Standards Project; or

9 (2) another program approved by the commissioner that
10 meets the requirements of the state plan for the education of gifted
11 and talented students under Section 29.123.

12 SUBCHAPTER I [~~E~~]. SUCCESSFUL SCHOOL AWARDS

13 Sec. 39.261 [~~39.091~~]. CREATION OF SYSTEM. The Texas
14 Successful Schools Awards System is created to recognize and reward
15 those schools and school districts that demonstrate progress or
16 success in achieving the education goals of the state.

17 Sec. 39.262 [~~39.092~~]. TYPES OF AWARDS. (a) The governor
18 may present a financial award to the schools or districts that the
19 commissioner determines have demonstrated the highest levels of
20 sustained success or the greatest improvement in achieving the
21 education goals. For each student in average daily attendance,
22 each of those schools or districts is entitled to an amount set for
23 the award for which the school or district is selected by the
24 commissioner, subject to any limitation set by the commissioner on
25 the total amount that may be awarded to a school or district.

26 (b) The governor may present proclamations or certificates
27 to additional schools and districts determined to have met or

1 exceeded the education goals.

2 (c) The commissioner may establish additional categories of
3 awards and award amounts for a school or district determined to be
4 successful under Subsection (a) or (b) that are contingent on the
5 school's or district's involvement with paired, lower-performing
6 schools.

7 Sec. 39.263 [~~39.093~~]. AWARDS. (a) The criteria that the
8 commissioner shall use to select successful schools and districts
9 must be related to the goals in Section 4.002 and must include:

10 (1) for districts and campuses, consideration of
11 performance on the student achievement [~~academic excellence~~]
12 indicators adopted under Section 39.053(c); and

13 (2) for campuses, consideration of the distinction
14 designation criteria prescribed by or developed under Subchapter G
15 [~~39.051~~].

16 (b) For purposes of selecting schools and districts under
17 Section 39.262(a) [~~39.092(a)~~], each school's performance shall be
18 compared to state standards and to its previous performance.

19 (c) [~~(b)~~] The commissioner shall select annually schools
20 and districts qualified to receive successful school awards for
21 their performance and report the selections to the governor and the
22 State Board of Education.

23 (d) [~~(c)~~] The agency shall notify each school district of
24 the manner in which the district or a school in the district may
25 qualify for a successful school award.

26 Sec. 39.264 [~~39.094~~]. USE OF AWARDS. (a) In determining
27 the use of a monetary award received under this subchapter, a school

1 or district shall give priority to academic enhancement purposes.
2 The award may not be used for any purpose related to athletics, and
3 it may not be used to substitute for or replace funds already in the
4 regular budget for a school or district.

5 (b) The campus-level committee established under Section
6 11.253 shall determine the use of the funds awarded to a school
7 under this subchapter. The professional staff of the district
8 shall determine the use of the funds awarded to the school district
9 under this subchapter.

10 Sec. 39.265 [~~39.095~~]. FUNDING. The award system may be
11 funded by donations, grants, or legislative appropriations. The
12 commissioner may solicit and receive grants and donations for the
13 purpose of making awards under this subchapter. A small portion of
14 the award funds may be used by the commissioner to pay for the costs
15 associated with sponsoring a ceremony to recognize or present
16 awards to schools or districts under this subchapter. The
17 donations, grants, or legislative appropriations shall be
18 accounted for and distributed by the agency. The awards are subject
19 to audit requirements established by the State Board of Education.

20 Sec. 39.266 [~~39.096~~]. CONFIDENTIALITY. All information
21 and reports received by the commissioner under this subchapter from
22 schools or school districts deemed confidential under Chapter 552,
23 Government Code, are confidential and may not be disclosed in any
24 public or private proceeding.

25 SUBCHAPTER J. PARENT AND EDUCATOR REPORTS

26 Sec. 39.301. ADDITIONAL PERFORMANCE INDICATORS: REPORTING.

27 (a) In addition to the indicators adopted under Section 39.053, the

1 commissioner shall adopt indicators of the quality of learning on a
2 campus for the purpose of preparing reports under this chapter. The
3 commissioner biennially shall review the indicators for the
4 consideration of appropriate revisions.

5 (b) Indicators for reporting purposes must include:

6 (1) the percentage of graduating students who meet the
7 course requirements established for the recommended high school
8 program by State Board of Education rule;

9 (2) the results of the Scholastic Assessment Test
10 (SAT), the American College Test (ACT), articulated postsecondary
11 degree programs described by Section 61.852, and certified
12 workforce training programs described by Chapter 311, Labor Code;

13 (3) for students who have failed to perform
14 satisfactorily, as determined under each performance standard
15 under Section 39.0241, on an assessment instrument required under
16 Section 39.023(a) or (c), the numerical progress of those students
17 grouped by percentage on subsequent assessment instruments
18 required under those sections, aggregated across grade levels by
19 subject area;

20 (4) the percentage of students, aggregated across
21 grade levels, provided accelerated instruction under Section
22 28.0211(c), the results of assessment instruments administered
23 under that section, the percentage of students promoted through the
24 grade placement committee process under Section 28.0211, the
25 subject of the assessment instrument on which each student failed
26 to perform satisfactorily, and the performance of those students in
27 the school year following that promotion on the assessment

1 instruments required under Section 39.023;

2 (5) the percentage of students of limited English
3 proficiency exempted from the administration of an assessment
4 instrument under Sections 39.027(a)(3), (4), and (5);

5 (6) the percentage of students in a special education
6 program under Subchapter A, Chapter 29, assessed through assessment
7 instruments developed or adopted under Section 39.023(b);

8 (7) the measure of progress toward college readiness;

9 (8) the measure of progress toward dual language
10 proficiency under Section 39.034(b), for students of limited
11 English proficiency, as defined by Section 29.052;

12 (9) the percentage of students who are not
13 educationally disadvantaged; and

14 (10) the percentage of students who enroll and begin
15 instruction at an institution of higher education in the school
16 year following graduation.

17 (c) Performance on the indicators described by Section
18 39.053(c) and Subsections (b)(3), (4), and (8) must be based on
19 longitudinal student data that is disaggregated by the bilingual
20 education or special language program, if any, in which students of
21 limited English proficiency, as defined by Section 29.052, are or
22 former students of limited English proficiency were enrolled. If a
23 student described by this subsection is not or was not enrolled in
24 specialized language instruction, the number and percentage of
25 those students shall be provided.

26 (d) Section 39.055 applies in evaluating indicators
27 described by Subsection (b).

1 Sec. 39.302. REPORT TO DISTRICT: COMPARISONS FOR ANNUAL
2 PERFORMANCE ASSESSMENT. (a) The agency shall report to each school
3 district the comparisons of student performance made under Section
4 39.034.

5 (b) To the extent practicable, the agency shall combine the
6 report of comparisons with the report of the student's performance
7 on assessment instruments under Section 39.023.

8 Sec. 39.303. REPORT TO PARENTS. (a) The school district a
9 student attends shall provide a record of the comparisons made
10 under Section 39.034 and provided to the district under Section
11 39.302 in a written notice to the student's parent or other person
12 standing in parental relationship.

13 (b) For a student who failed to perform satisfactorily as
14 determined under either performance standard under Section 39.0241
15 on an assessment instrument administered under Section 39.023(a),
16 (c), or (l), the school district shall include in the notice
17 specific information relating to access to online educational
18 resources at the appropriate assessment instrument content level,
19 including educational resources described by Section 32.252(b)(2)
20 and assessment instruments questions and answers released under
21 Section 39.023(e).

22 Sec. 39.304. TEACHER REPORT CARD. Each school district
23 shall prepare a report of the comparisons made under Section 39.034
24 and provided to the district under 39.302 and provide the report to
25 each teacher for all students who:

26 (1) were assessed on an assessment instrument under
27 Section 39.023; and

1 (2) were provided instruction by that teacher in the
2 subject for which the assessment instrument was administered under
3 Section 39.023.

4 Sec. 39.305 [~~39.052~~]. CAMPUS REPORT CARD. (a) The agency
5 shall report the performance of each campus in a school district on
6 the basis of the campus's performance on the indicators described
7 by Section 39.053(c).

8 (b) Each school year, the agency shall prepare and
9 distribute to each school district a report card for each campus.
10 The campus report cards must be based on the most current data
11 available disaggregated by student groups. Campus performance must
12 be compared to previous campus and district performance, current
13 district performance, and state established standards[~~, and~~
14 ~~comparable campus group performance~~].

15 (c) [~~(b)~~] The report card shall include the following
16 information:

17 (1) where applicable, the student achievement
18 indicators described by Section 39.053(c) and the reporting
19 indicators described by Sections 39.301(b)(1) through (4) and (10)
20 [~~academic excellence indicators adopted under Sections~~
21 ~~39.051(b)(1) through (10)~~];

22 (2) average class size by grade level and subject;

23 (3) the administrative and instructional costs per
24 student, computed in a manner consistent with Section 44.0071; and

25 (4) the district's instructional expenditures ratio
26 and instructional employees ratio computed under Section 44.0071,
27 and the statewide average of those ratios, as determined by the

1 commissioner.

2 (d) [~~(c)~~] The commissioner shall adopt rules requiring
3 dissemination of the information required under Subsection (c)(4)
4 [~~(b)(4)~~] and appropriate class size and student performance
5 portions of campus report cards annually to the parent, guardian,
6 conservator, or other person having lawful control of each student
7 at the campus. On written request, the school district shall
8 provide a copy of a campus report card to any other party.

9 Sec. 39.306 [~~39.053~~]. PERFORMANCE REPORT. (a) Each board
10 of trustees shall publish an annual report describing the
11 educational performance of the district and of each campus in the
12 district that includes uniform student performance and descriptive
13 information as determined under rules adopted by the commissioner.
14 The annual report must also include:

15 (1) campus performance objectives established under
16 Section 11.253 and the progress of each campus toward those
17 objectives, which shall be available to the public;

18 (2) information indicating the district's
19 accreditation status and identifying each district campus awarded a
20 distinction designation under Subchapter G or considered an
21 accredited-warned or accredited-probation campus under Subchapter
22 E [~~the performance rating for the district as provided under~~
23 ~~Section 39.072(a) and the performance rating of each campus in the~~
24 ~~district as provided under Section 39.072(c)];~~

25 (3) the district's current special education
26 compliance status with the agency;

27 (4) a statement of the number, rate, and type of

1 violent or criminal incidents that occurred on each district
2 campus, to the extent permitted under the Family Educational Rights
3 and Privacy Act of 1974 (20 U.S.C. Section 1232g);

4 (5) information concerning school violence prevention
5 and violence intervention policies and procedures that the district
6 is using to protect students; ~~and~~

7 (6) the findings that result from evaluations
8 conducted under the Safe and Drug-Free Schools and Communities Act
9 of 1994 (20 U.S.C. Section 7101 et seq.) ~~[and its subsequent~~
10 ~~amendments]~~; and

11 (7) information received under Section 51.403(e) for
12 each high school campus in the district, presented in a form
13 determined by the commissioner.

14 (b) Supplemental information to be included in the reports
15 shall be determined by the board of trustees. Performance
16 information in the annual reports on the indicators described by
17 Sections 39.053 and 39.301 ~~[established under Section 39.051]~~ and
18 descriptive information required by this section shall be provided
19 by the agency.

20 (c) The board of trustees shall hold a hearing for public
21 discussion of the report. The board of trustees shall give notice
22 of the hearing to property owners in the district and parents of and
23 other persons standing in parental relation to ~~[guardians,~~
24 ~~conservators, and other persons having lawful control of]~~ a
25 district student. The notification must include notice to a
26 newspaper of general circulation in the district and notice to
27 electronic media serving the district. After the hearing the

1 report shall be widely disseminated within the district in a manner
2 to be determined under rules adopted by the commissioner.

3 (d) The report must also include a comparison provided by
4 the agency of:

5 (1) the performance of each campus to its previous
6 performance and to state-established standards; and

7 (2) the performance of each district to its previous
8 performance and to state-established standards[~~, and~~

9 [~~(3) the performance of each campus or district to~~
10 ~~comparable improvement~~].

11 (e) The report may include the following information:

12 (1) student information, including total enrollment,
13 enrollment by ethnicity, socioeconomic status, and grade groupings
14 and retention rates;

15 (2) financial information, including revenues and
16 expenditures;

17 (3) staff information, including number and type of
18 staff by sex [~~gender~~], ethnicity, years of experience, and highest
19 degree held, teacher and administrator salaries, and teacher
20 turnover;

21 (4) program information, including student enrollment
22 by program, teachers by program, and instructional operating
23 expenditures by program; and

24 (5) the number of students placed in a disciplinary
25 alternative education program under Chapter 37.

26 (f) The commissioner [~~State Board of Education~~] by rule
27 shall authorize the combination of this report with other reports

1 and financial statements and shall restrict the number and length
2 of reports that school districts, school district employees, and
3 school campuses are required to prepare.

4 (g) The report must include a statement of the amount, if
5 any, of the school district's unencumbered surplus fund balance as
6 of the last day of the preceding fiscal year and the percentage of
7 the preceding year's budget that the surplus represents.

8 Sec. 39.307 [~~39.054~~]. USES OF PERFORMANCE REPORT. The
9 information required to be reported under Section 39.306 [~~39.053~~]
10 shall be:

11 (1) the subject of public hearings or meetings
12 required under Sections 11.252, 11.253, and 39.306 [~~39.053~~];

13 (2) a primary consideration in school district and
14 campus planning; and

15 (3) a primary consideration of:

16 (A) the State Board of Education in the
17 evaluation of the performance of the commissioner;

18 (B) the commissioner in the evaluation of the
19 performance of the directors of the regional education service
20 centers;

21 (C) the board of trustees of a school district in
22 the evaluation of the performance of the superintendent of the
23 district; and

24 (D) the superintendent in the evaluation of the
25 performance of the district's campus principals.

26 Sec. 39.308 [~~39.055~~]. ANNUAL AUDIT OF DROPOUT RECORDS;
27 REPORT. (a) The commissioner shall develop a process for auditing

1 school district dropout records electronically. The commissioner
2 shall also develop a system and standards for review of the audit or
3 use systems already available at the agency. The system must be
4 designed to identify districts that are at high risk of having
5 inaccurate dropout records and that, as a result, require on-site
6 monitoring of dropout records.

7 **(b)** If the electronic audit of a school district's dropout
8 records indicates that a district is not at high risk of having
9 inaccurate dropout records, the district may not be subject to
10 on-site monitoring under this subsection.

11 **(c)** If the risk-based system indicates that a school
12 district is at high risk of having inaccurate dropout records, the
13 district is entitled to an opportunity to respond to the
14 commissioner's determination before on-site monitoring may be
15 conducted. The district must respond not later than the 30th day
16 after the date the commissioner notifies the district of the
17 commissioner's determination. If the district's response does not
18 change the commissioner's determination that the district is at
19 high risk of having inaccurate dropout records or if the district
20 does not respond in a timely manner, the commissioner shall order
21 agency staff to conduct on-site monitoring of the district's
22 dropout records.

23 **(d)** [~~(e)~~] The commissioner shall notify the board of
24 trustees of a school district of any objection the commissioner has
25 to the district's dropout data, any violation of sound accounting
26 practices or of a law or rule revealed by the data, or any
27 recommendation by the commissioner concerning the data. If the data

1 reflect that a penal law has been violated, the commissioner shall
2 notify the county attorney, district attorney, or criminal district
3 attorney, as appropriate, and the attorney general.

4 (e) The commissioner is entitled to access to all district
5 records the commissioner considers necessary or appropriate for the
6 review, analysis, or approval of district dropout data.

7 SUBCHAPTER K [~~H~~]. REPORTS BY TEXAS EDUCATION AGENCY

8 Sec. 39.331 [~~39.181~~]. GENERAL REQUIREMENTS. (a) Each
9 report required by this subchapter must:

10 (1) unless otherwise specified, contain summary
11 information and analysis only, with an indication that the agency
12 will provide the data underlying the report on request;

13 (2) specify a person at the agency who may be contacted
14 for additional information regarding the report and provide the
15 person's telephone number; and

16 (3) identify other sources of related information,
17 indicating the level of detail and format of information that may be
18 obtained, including the availability of any information on the
19 Texas Education Network.

20 (b) Each component of a report required by this subchapter
21 must:

22 (1) identify the substantive goal underlying the
23 information required to be reported;

24 (2) analyze the progress made and longitudinal trends
25 in achieving the underlying substantive goal;

26 (3) offer recommendations for improved progress in
27 achieving the underlying substantive goal; and

1 (4) identify the relationship of the information
2 required to be reported to state education goals.

3 (c) Unless otherwise provided, each report required by this
4 subchapter is due not later than December 1 of each even-numbered
5 year.

6 (d) Subsections (a) and (b) apply to any report required by
7 statute that the agency or the State Board of Education must prepare
8 and deliver to the governor, lieutenant governor, speaker of the
9 house of representatives, or legislature.

10 (e) Unless otherwise provided by law, any report required by
11 statute that the agency or the State Board of Education must prepare
12 and deliver to the governor, lieutenant governor, speaker of the
13 house of representatives, or legislature may be combined, at the
14 discretion of the commissioner, with a report required by this
15 subchapter.

16 Sec. 39.332 [~~39.182~~]. COMPREHENSIVE ANNUAL REPORT. (a)
17 Not later than December 1 of each year, the agency shall prepare and
18 deliver to the governor, the lieutenant governor, the speaker of
19 the house of representatives, each member of the legislature, the
20 Legislative Budget Board, and the clerks of the standing committees
21 of the senate and house of representatives with primary
22 jurisdiction over the public school system a comprehensive report
23 covering the preceding school year and containing the information
24 described by Subsection (b).

25 (b) [+] (1) The report must contain an evaluation of the
26 achievements of the state educational program in relation to the
27 statutory goals for the public education system under Section

1 4.002.[+]

2 (2) The report must contain an evaluation of the
3 status of education in the state as reflected by:

4 (A) the student achievement [~~academic~~
5 ~~excellence~~] indicators described by [~~adopted under~~] Section 39.053
6 [~~39.051~~]; and

7 (B) the reporting indicators described by
8 Section 39.301.

9 (3) The report must contain a summary compilation of
10 overall student performance on academic skills assessment
11 instruments required by Section 39.023 with the number and
12 percentage of students exempted from the administration of those
13 instruments and the basis of the exemptions, aggregated by grade
14 level, subject area, campus, and district, with appropriate
15 interpretations and analysis, and disaggregated by race,
16 ethnicity, gender, and socioeconomic status.[+]

17 (4) The report must contain a summary compilation of
18 overall performance of students placed in a disciplinary
19 alternative education program established under Section 37.008 on
20 academic skills assessment instruments required by Section 39.023
21 with the number of those students exempted from the administration
22 of those instruments and the basis of the exemptions, aggregated by
23 district, grade level, and subject area, with appropriate
24 interpretations and analysis, and disaggregated by race,
25 ethnicity, gender, and socioeconomic status.[+]

26 (5) The report must contain a summary compilation of
27 overall performance of students at risk of dropping out of school,

1 as defined by Section 29.081(d), on academic skills assessment
2 instruments required by Section 39.023 with the number of those
3 students exempted from the administration of those instruments and
4 the basis of the exemptions, aggregated by district, grade level,
5 and subject area, with appropriate interpretations and analysis,
6 and disaggregated by race, ethnicity, gender, and socioeconomic
7 status. [✚]

8 (6) The report must contain an evaluation of the
9 correlation between student grades and student performance on
10 academic skills assessment instruments required by Section
11 39.023. [✚]

12 (7) The report must contain a statement of the dropout
13 rate of students in grade levels 7 through 12, expressed in the
14 aggregate and by grade level, and a statement of the completion
15 rates of students for grade levels 9 through 12. [✚]

16 (8) The report must contain a statement of:

17 (A) the completion rate of students who enter
18 grade level 9 and graduate not more than four years later;

19 (B) the completion rate of students who enter
20 grade level 9 and graduate, including students who require more
21 than four years to graduate;

22 (C) the completion rate of students who enter
23 grade level 9 and not more than four years later receive a high
24 school equivalency certificate;

25 (D) the completion rate of students who enter
26 grade level 9 and receive a high school equivalency certificate,
27 including students who require more than four years to receive a

1 certificate; and

2 (E) the number and percentage of all students who
3 have not been accounted for under Paragraph (A), (B), (C), or
4 (D).[+]

5 (9) The report must contain a statement of the
6 projected cross-sectional and longitudinal dropout rates for grade
7 levels 9 through 12 for the next five years, assuming no state
8 action is taken to reduce the dropout rate.[+]

9 (10) The report must contain a description of a
10 systematic, measurable plan for reducing the projected
11 cross-sectional and longitudinal dropout rates to five percent or
12 less for the 2017-2018 [~~1997-1998~~] school year.[+]

13 (11) The report must contain a summary of the
14 information required by Section 29.083 regarding grade level
15 retention of students and information concerning:

16 (A) the number and percentage of students
17 retained; and

18 (B) the performance of retained students on
19 assessment instruments required under Section 39.023(a).[+]

20 (12) The report must contain information, aggregated
21 by district type and disaggregated by race, ethnicity, gender, and
22 socioeconomic status, on:

23 (A) the number of students placed in a
24 disciplinary alternative education program established under
25 Section 37.008;

26 (B) the average length of a student's placement
27 in a disciplinary alternative education program established under

1 Section 37.008;

2 (C) the academic performance of students on
3 assessment instruments required under Section 39.023(a) during the
4 year preceding and during the year following placement in a
5 disciplinary alternative education program; and

6 (D) the dropout rates of students who have been
7 placed in a disciplinary alternative education program established
8 under Section 37.008. ~~[+]~~

9 (13) The report must contain a list of each school
10 district or campus that does not satisfy performance standards,
11 with an explanation of the actions taken by the commissioner to
12 improve student performance in the district or campus and an
13 evaluation of the results of those actions. ~~[+]~~

14 (14) The report must contain an evaluation of the
15 status of the curriculum taught in public schools, with
16 recommendations for legislative changes necessary to improve or
17 modify the curriculum required by Section 28.002. ~~[+]~~

18 (15) The report must contain a description of all
19 funds received by and each activity and expenditure of the
20 agency. ~~[+]~~

21 (16) The report must contain a summary and analysis of
22 the instructional expenditures ratios and instructional employees
23 ratios of school districts computed under Section 44.0071. ~~[+]~~

24 (17) The report must contain a summary of the effect of
25 deregulation, including exemptions and waivers granted under
26 Section 7.056 or 39.232. ~~[39.112,]~~

27 (18) The report must contain a statement of the total

1 number and length of reports that school districts and school
2 district employees must submit to the agency, identifying which
3 reports are required by federal statute or rule, state statute, or
4 agency rule, and a summary of the agency's efforts to reduce overall
5 reporting requirements. [✚]

6 (19) The report must contain a list of each school
7 district that is not in compliance with state special education
8 requirements, including:

9 (A) the period for which the district has not
10 been in compliance;

11 (B) the manner in which the agency considered the
12 district's failure to comply in determining the district's
13 accreditation status; and

14 (C) an explanation of the actions taken by the
15 commissioner to ensure compliance and an evaluation of the results
16 of those actions. [✚]

17 (20) The report must contain a comparison of the
18 performance of open-enrollment charter schools and school
19 districts on the student achievement [~~academic excellence~~]
20 indicators described by Section 39.053(c), the reporting
21 indicators described by Section 39.301(b), [~~specified in Section~~
22 ~~39.051(b)~~] and the accountability measures adopted under Section
23 39.053(i) [~~39.051(g)~~], with a separately aggregated comparison of
24 the performance of open-enrollment charter schools predominantly
25 serving students at risk of dropping out of school, as described
26 [~~defined~~] by Section 29.081(d), with the performance of school
27 districts. [✚]

1 (21) The report must contain a summary of the
2 information required by Section 38.0141 regarding student health
3 and physical activity from each school district. ~~[+]~~

4 (22) The report must contain a summary compilation of
5 overall student performance under the assessment system developed
6 to evaluate the longitudinal academic progress as required by
7 Section 39.027(e), disaggregated by bilingual education or special
8 language program instructional model, if any. ~~[+ and]~~

9 (23) The report must contain any additional
10 information considered important by the commissioner or the State
11 Board of Education.

12 (c) ~~[(b)]~~ In reporting the information required by
13 Subsection (b)(3) or (4) ~~[(a)(3) or (4)]~~, the agency may separately
14 aggregate the performance data of students enrolled in a special
15 education program under Subchapter A, Chapter 29.

16 (d) ~~[(b-1)]~~ In reporting the information required by
17 Subsections (b)(3), (5), and (7) ~~[(a)(3), (5), and (7)]~~, the agency
18 shall separately aggregate the longitudinal performance data of all
19 students identified as students of limited English proficiency, as
20 defined by Section 29.052, or former students of limited English
21 proficiency, disaggregated by bilingual education or special
22 language program instructional model, if any, in which the students
23 are or were enrolled.

24 (e) ~~[(e)]~~ Each report must contain the most recent data
25 available.

26 Sec. 39.333 ~~[39.183]~~. REGIONAL AND DISTRICT LEVEL REPORT.
27 The agency shall prepare and deliver to the governor, the

1 lieutenant governor, the speaker of the house of representatives,
2 each member of the legislature, the Legislative Budget Board, and
3 the clerks of the standing committees of the senate and house of
4 representatives with primary jurisdiction over the public school
5 system a regional and district level report covering the preceding
6 two school years and containing:

7 (1) a summary of school district compliance with the
8 student/teacher ratios and class-size limitations prescribed by
9 Sections 25.111 and 25.112, including:

10 (A) the number of campuses and classes at each
11 campus granted an exception from Section 25.112; and

12 (B) for [~~the performance rating under Subchapter~~
13 ~~D of~~] each campus granted an exception from Section 25.112, a
14 statement of whether the campus has been awarded a distinction
15 designation under Subchapter G or has been identified as an
16 accredited-warned or accredited-probation campus under Subchapter
17 E;

18 (2) a summary of the exemptions and waivers granted to
19 campuses and school districts under Section 7.056 or 39.232
20 [~~39.112~~] and a review of the effectiveness of each campus or
21 district following deregulation;

22 (3) an evaluation of the performance of the system of
23 regional education service centers based on the indicators adopted
24 under Section 8.101 and client satisfaction with services provided
25 under Subchapter B, Chapter 8;

26 (4) an evaluation of accelerated instruction programs
27 offered under Section 28.006, including an assessment of the

1 quality of such programs and the performance of students enrolled
2 in such programs; and

3 (5) the number of classes at each campus that are
4 currently being taught by individuals who are not certified in the
5 content areas of their respective classes.

6 Sec. 39.334 [~~39.184~~]. TECHNOLOGY REPORT. The agency shall
7 prepare and deliver to the governor, the lieutenant governor, the
8 speaker of the house of representatives, each member of the
9 legislature, the Legislative Budget Board, and the clerks of the
10 standing committees of the senate and house of representatives with
11 primary jurisdiction over the public school system a technology
12 report covering the preceding two school years and containing
13 information on the status of the implementation of and revisions to
14 the long-range technology plan required by Section 32.001,
15 including the equity of the distribution and use of technology in
16 public schools.

17 Sec. 39.335 [~~39.185~~]. INTERIM REPORT. Not later than
18 December 1 of each odd-numbered year, the agency shall prepare and
19 deliver to the governor, the lieutenant governor, the speaker of
20 the house of representatives, each member of the legislature, the
21 Legislative Budget Board, and the clerks of the standing committees
22 of the senate and house of representatives with primary
23 jurisdiction over the public school system an interim report
24 containing, for the previous school year, the information required
25 by Section 39.333(2) [~~39.183(2)~~].

26 SUBCHAPTER L [~~J~~]. NOTICE OF PERFORMANCE

27 Sec. 39.361 [~~39.251~~]. NOTICE IN STUDENT GRADE REPORT. The

1 first written notice of a student's performance that a school
2 district gives during a school year as required by Section
3 28.022(a)(2) must include [~~the following information~~]:

4 (1) a statement of whether the campus at which the
5 student is enrolled has been awarded a distinction designation
6 under Subchapter G or has been identified as an accredited-warned
7 or accredited-probation campus under Subchapter E [~~the most recent~~
8 ~~performance rating of the campus at which the student is enrolled,~~
9 ~~as determined under Section 39.072~~]; and

10 (2) an explanation of the significance of the
11 information provided under Subdivision (1) [~~a definition and~~
12 ~~explanation of each performance rating described by Section~~
13 ~~39.072(a)~~].

14 Sec. 39.362 [~~39.252~~]. NOTICE ON DISTRICT WEBSITE. Not
15 later than the 10th day after the first day of instruction of each
16 school year, a school district that maintains an Internet website
17 shall make the following information available to the public on the
18 website:

19 (1) the information contained in the most recent
20 campus report card for each campus in the district [~~as determined~~]
21 under Section 39.305 [~~39.052~~];

22 (2) the information contained in the most recent
23 performance report for the district [~~as determined~~] under Section
24 39.306 [~~39.053~~];

25 (3) the most recent accreditation status [~~performance~~
26 ~~rating~~] of the district [~~as determined~~] under Section 39.052
27 [~~39.072~~]; and

1 (4) a definition and explanation of each accreditation
2 status under [~~performance rating described by~~] Section 39.051,
3 based on commissioner rule adopted under that section [~~39.072(a)~~].

4 SUBCHAPTER M [~~L~~]. HIGH SCHOOL COMPLETION AND SUCCESS INITIATIVE

5 Sec. 39.401 [~~39.351~~]. DEFINITION. In this subchapter,
6 "council" means the High School Completion and Success Initiative
7 Council.

8 Sec. 39.402 [~~39.352~~]. HIGH SCHOOL COMPLETION AND SUCCESS
9 INITIATIVE COUNCIL. (a) The High School Completion and Success
10 Initiative Council is established to identify strategic priorities
11 for and make recommendations to improve the effectiveness,
12 coordination, and alignment of high school completion and college
13 and workforce readiness efforts.

14 (b) The council is composed of:

- 15 (1) the commissioner of education;
16 (2) the commissioner of higher education; and
17 (3) seven members appointed by the commissioner of
18 education.

19 (c) In making appointments required by Subsection (b)(3),
20 the commissioner of education shall appoint:

- 21 (1) three members from a list of nominations provided
22 by the governor;
23 (2) two members from a list of nominations provided by
24 the lieutenant governor; and
25 (3) two members from a list of nominations provided by
26 the speaker of the house of representatives.

27 (d) In making nominations under Subsection (c), the

1 governor, lieutenant governor, and speaker of the house of
2 representatives shall nominate persons who have distinguished
3 experience in:

4 (1) developing and implementing high school reform
5 strategies; and

6 (2) promoting college and workforce readiness.

7 Sec. 39.403 [~~39.353~~]. TERMS. Members of the council
8 appointed under Section 39.402(b)(3) [~~39.352(b)(3)~~] serve terms of
9 two years and may be reappointed for additional terms.

10 Sec. 39.404 [~~39.354~~]. PRESIDING OFFICER. The commissioner
11 of education serves as the presiding officer of the council.

12 Sec. 39.405 [~~39.355~~]. COMPENSATION AND REIMBURSEMENT. A
13 member of the council is not entitled to compensation for service on
14 the council but is entitled to reimbursement for actual and
15 necessary expenses incurred in performing council duties.

16 Sec. 39.406 [~~39.356~~]. COUNCIL STAFF AND FUNDING. (a)
17 Except as otherwise provided, staff members of the agency, with the
18 assistance of the Texas Higher Education Coordinating Board, shall
19 provide administrative support for the council.

20 (b) Funding for the administrative and operational expenses
21 of the council shall be provided by appropriation to the agency for
22 that purpose and by gifts, grants, and donations solicited and
23 accepted by the agency for that purpose.

24 Sec. 39.407 [~~39.357~~]. STRATEGIC PLAN. (a) The council
25 shall adopt a strategic plan under this subchapter to:

26 (1) specify strategies to identify, support, and
27 expand programs to improve high school completion rates and college

1 and workforce readiness;

2 (2) establish specific goals with which to measure the
3 success of the strategies identified under Subdivision (1) in
4 improving high school completion rates and college and workforce
5 readiness;

6 (3) identify strategies for alignment and
7 coordination of federal and other funding sources that may be
8 pursued for high school reform, dropout prevention, and preparation
9 of students for postsecondary coursework or employment; and

10 (4) identify key objectives for appropriate research
11 and program evaluation conducted as provided by this subchapter.

12 (b) The commissioner of education and the commissioner of
13 higher education shall adopt rules as necessary to administer the
14 strategic plan adopted by the council under this section.

15 (c) The commissioner of education or the commissioner of
16 higher education may not, in a manner inconsistent with the
17 strategic plan, spend money, award a grant, or enter into a contract
18 in connection with a program relating to high school success and
19 completion.

20 Sec. 39.408 [~~39.358~~]. ELIGIBILITY CRITERIA FOR CERTAIN
21 GRANT PROGRAMS. A school district or campus is eligible to
22 participate in programs under Sections 21.4541, 29.095, 29.096,
23 29.097, and 29.098 if the district or campus exhibited during each
24 of the three preceding school years characteristics that strongly
25 correlate with high dropout rates.

26 Sec. 39.409 [~~39.359~~]. PRIVATE FOUNDATION PARTNERSHIPS.

27 (a) The commissioner of education or the commissioner of higher

1 education, as appropriate, and the council may coordinate with
2 private foundations that have made a substantial investment in the
3 improvement of high schools in this state to maximize the impact of
4 public and private investments.

5 (b) A private foundation is not required to obtain the
6 approval of the appropriate commissioner or the council under
7 Subsection (a) before allocating resources to a school in this
8 state.

9 Sec. 39.410 [~~39.360~~]. GRANT PROGRAM EVALUATION. (a) The
10 commissioner of education shall annually set aside not more than
11 five percent of the funds appropriated for high school completion
12 and success to contract for the evaluation of programs supported by
13 grants approved under this subchapter. In awarding a contract
14 under this subsection, the commissioner shall consider centers for
15 education research established under Section 1.005.

16 (b) A person who receives a grant approved under this
17 subchapter must consent to an evaluation under this section as a
18 condition of receiving the grant.

19 (c) The commissioner shall ensure that an evaluation
20 conducted under this section includes an assessment of whether
21 student achievement has improved. Results of the evaluation shall
22 be provided through the online clearinghouse of information
23 relating to the best practices of campuses and school districts
24 established under Section 7.009.

25 Sec. 39.411 [~~39.361~~]. COUNCIL RECOMMENDATIONS. (a) Based
26 on the strategic plan adopted under this subchapter [~~section~~], the
27 council shall make recommendations to the commissioner of education

1 or the commissioner of higher education, as applicable, for the use
2 of federal and state funds appropriated or received for high school
3 reform, college readiness, and dropout prevention, including
4 grants awarded under Sections 21.4511, 21.4541, 29.095-29.098,
5 29.917, 29.919, and 39.235 [~~39.115~~].

6 (b) The council shall include recommendations under this
7 section for:

- 8 (1) key elements of program design;
- 9 (2) criteria for awarding grants and evaluating
10 programs;
- 11 (3) program funding priorities; and
- 12 (4) program evaluation as provided by this subchapter.

13 (c) The commissioner of education or the commissioner of
14 higher education, as applicable, shall consider the council's
15 recommendations and based on those recommendations may award grants
16 to school districts, open-enrollment charter schools, institutions
17 of higher education, regional education service centers, and
18 nonprofit organizations to meet the goals of the council's
19 strategic plan.

20 (d) The commissioner of education or the commissioner of
21 higher education, as applicable:

- 22 (1) is not required under this section to allocate
23 funds to a program or initiative recommended by the council; and
- 24 (2) may not initiate a program funded under this
25 section that does not conform to the recommended use of funds as
26 provided under Subsections (a) and (b).

27 Sec. 39.412 [~~39.362~~]. FUNDING PROVIDED TO SCHOOL

1 DISTRICTS. From funds appropriated, the commissioner of education
2 may provide funding to school districts to permit a school district
3 to obtain technical assistance in preparing a grant proposal for a
4 grant program administered under this subchapter.

5 Sec. 39.413 [~~39.363~~]. FUNDING FOR CERTAIN PROGRAMS. (a)
6 From funds appropriated, the Texas Higher Education Coordinating
7 Board shall allocate \$8.75 million each year to establish
8 mathematics, science, and technology teacher preparation academies
9 under Section 21.462 and implement and administer the program under
10 Section 29.098.

11 (b) The Texas Higher Education Coordinating Board shall
12 establish mathematics, science, and technology teacher preparation
13 academies under Section 21.462 and implement and administer the
14 program under Section 29.098 in a manner consistent with the goals
15 of this subchapter and the goals in "Closing the Gaps," the state's
16 master plan for higher education.

17 Sec. 39.414 [~~39.364~~]. PRIVATE FUNDING. The commissioner of
18 education or the commissioner of higher education, as appropriate,
19 may accept gifts, grants, or donations to fund a grant administered
20 under this subchapter.

21 Sec. 39.415 [~~39.365~~]. REPORTS. (a) Not later than
22 December 1 of each even-numbered year, the agency shall prepare and
23 deliver a report to the legislature that recommends any statutory
24 changes the council considers appropriate to promote high school
25 completion and college and workforce readiness.

26 (b) Not later than March 1 and September 1 of each year, the
27 commissioner of education shall prepare and deliver a progress

1 report to the presiding officers of the standing committees of each
2 house of the legislature with primary jurisdiction over public
3 education, the Legislative Budget Board, and the Governor's Office
4 of Policy and Planning on:

5 (1) the implementation of Sections 7.031, 21.4511,
6 21.4541, 21.462, 28.008(d-1), 28.0212(d), 29.095-29.098, 29.911,
7 29.917-29.919, and 39.235 [~~39.115~~] and this subchapter;

8 (2) the programs supported by grants approved under
9 this subchapter; and

10 (3) the alignment of grants and programs to the
11 strategic plan adopted under Section 39.407 [~~39.357~~].

12 Sec. 39.416 [~~39.366~~]. RULES. The commissioner of education
13 and the commissioner of higher education shall adopt rules as
14 necessary to administer this subchapter and any programs under the
15 authority of the commissioner of education or the commissioner of
16 higher education and the council under this subchapter.

17 SECTION 24. Section 51.3062, Education Code, is amended by
18 adding Subsection (q-1) to read as follows:

19 (q-1) A student who has completed a recommended or advanced
20 high school program as determined under Section 28.025 and
21 demonstrated the performance standard for college readiness as
22 provided by Section 39.024 on the Algebra II and English III
23 end-of-course assessment instruments is exempt from the
24 requirements of this section with respect to those content areas.
25 The commissioner of higher education by rule shall establish the
26 period for which an exemption under this subsection is valid.

27 SECTION 25. Section 51.807, Education Code, as amended by

1 Chapters 941 (H.B. 3826) and 1369 (H.B. 3851), Acts of the 80th
2 Legislature, Regular Session, 2007, is reenacted to read as
3 follows:

4 Sec. 51.807. RULEMAKING. (a) The Texas Higher Education
5 Coordinating Board may adopt rules relating to the operation of
6 admissions programs under this subchapter, including rules
7 relating to the identification of eligible students.

8 (b) The Texas Higher Education Coordinating Board, after
9 consulting with the Texas Education Agency, by rule shall establish
10 standards for determining for purposes of this subchapter:

11 (1) whether a private high school is accredited by a
12 generally recognized accrediting organization; and

13 (2) whether a person completed a high school
14 curriculum that is equivalent in content and rigor to the
15 curriculum requirements established under Section 28.025 for the
16 recommended or advanced high school program.

17 SECTION 26. Chapter 61, Education Code, is amended by
18 adding Subchapter T-1 to read as follows:

19 SUBCHAPTER T-1. CAREER AND TECHNICAL EDUCATION

20 Sec. 61.861. DEVELOPMENT OF MATHEMATICS AND SCIENCE COURSES
21 FOR HIGH-DEMAND OCCUPATIONS. (a) The commissioner of higher
22 education, in consultation with the comptroller and the Texas
23 Workforce Commission, may award a grant in an amount not to exceed
24 \$1 million to an institution of higher education to develop
25 advanced mathematics and science courses to prepare high school
26 students for employment in a high-demand occupation. The
27 commissioner of higher education, the comptroller, and the Texas

1 Workforce Commission shall jointly determine what is considered a
2 high-demand occupation for purposes of this subchapter.

3 (b) An institution of higher education shall work in
4 partnership with at least one independent school district and a
5 business entity in developing a course for purposes of this
6 section.

7 (c) A course developed for purposes of this section must:

8 (1) provide content that enables a student to develop
9 the relevant and critical skills needed to be prepared for
10 employment or additional training in a high-demand occupation;

11 (2) incorporate college and career readiness skills as
12 part of the curriculum;

13 (3) be offered for dual credit; and

14 (4) satisfy a mathematics or science requirement under
15 the recommended or advanced high school program as determined under
16 Section 28.025.

17 (d) An institution of higher education shall periodically
18 review and revise the curriculum for a course developed for
19 purposes of this section to accommodate changes in industry
20 standards for the high-demand occupation.

21 Sec. 61.862. GRANT APPLICATION CRITERIA. The commissioner
22 of higher education, in consultation with the comptroller and the
23 Texas Workforce Commission, shall establish application criteria
24 for a grant under this subchapter and in making an award, shall give
25 priority to courses that:

26 (1) will prepare students for high-demand, high-wage,
27 and high-skill occupations;

1 (2) may be transferred as college credit to multiple
2 institutions of higher education; and

3 (3) are developed as part of a sequence of courses that
4 includes statewide availability of the instructional materials and
5 training for the courses at a nominal cost to public educational
6 institutions in this state.

7 Sec. 61.863. USE OF FUNDS. An institution of higher
8 education may use funds awarded under this section to develop, in
9 connection with a course described by Section 61.861:

10 (1) curriculum;

11 (2) assessments; or

12 (3) instructional materials, including
13 technology-based supplemental materials.

14 Sec. 61.864. REVIEW OF COURSES. Courses developed for
15 which a grant is awarded under this subchapter shall be reviewed by
16 the commissioner of higher education, in consultation with the
17 comptroller and the Texas Workforce Commission, once every four
18 years to determine whether the course:

19 (1) is being used by public educational institutions
20 in this state; and

21 (2) prepares high school students with the skills
22 necessary for employment in the high-demand occupation.

23 Sec. 61.865. MATCHING CONTRIBUTION REQUIRED. An
24 institution of higher education awarded a grant under this
25 subchapter must obtain from one or more business entities in the
26 industry for which students taking courses developed under Section
27 61.861 are training, in a total amount equal to the amount of the

1 state grant:

2 (1) gifts, grants, or donations of funds; or

3 (2) contributions of property that may be used in
4 providing the courses.

5 Sec. 61.866. LIMITATION ON TOTAL AMOUNT OF GRANTS. In any
6 state fiscal biennium, the total amount of grants awarded under
7 this subchapter may not exceed \$10 million.

8 Sec. 61.867. FUNDING OF GRANTS. The commissioner of higher
9 education shall administer this section using available
10 appropriations and gifts, grants, and donations made for the
11 purposes of this subchapter.

12 SECTION 27. The following sections of the Education Code
13 are repealed:

14 (1) Section 39.0234;

15 (2) Section 39.025(b-1);

16 (3) Sections 39.032(a), (b), and (d); and

17 (4) Sections 39.034(e), (f), and (g).

18 SECTION 28. (a) Not later than January 1, 2010, the Texas
19 Education Agency shall prepare a transition plan containing a
20 detailed description of the process the commissioner of education
21 will use to implement this Act.

22 (b) In developing the transition plan, the Texas Education
23 Agency shall consult with stakeholders in public primary and
24 secondary education.

25 SECTION 29. To the extent of any conflict, the reenactment
26 by this Act of Section 51.807, Education Code, prevails over
27 another Act of the 81st Legislature, Regular Session, 2009,

1 relating to nonsubstantive additions to and corrections in enacted
2 codes.

3 SECTION 30. Section 11.203(d), Education Code, as amended
4 by this Act, applies only to a principal employed at a school that
5 is rated academically unacceptable during the 2008-2009 school
6 year.

7 SECTION 31. (a) Except as provided by this section, this
8 Act applies beginning with the 2009-2010 school year.

9 (b) Sections 39.023(e) and 39.053(g), Education Code, as
10 amended by this Act, apply immediately.

11 (c) Except as provided by Subsection (b) of this section,
12 Subchapter C, Chapter 39, Education Code, as amended by this Act,
13 applies beginning with the 2011-2012 school year.

14 (d) Except as provided by Subsection (e) of this section,
15 Subchapter E, Chapter 39, Education Code, as amended by this Act,
16 applies as provided by the transition plan adopted by the
17 commissioner of education under Section 39.116, Education Code, as
18 added by this Act.

19 (e) Notwithstanding any other provision of this Act, the
20 commissioner of education may immediately apply any exceptions to
21 interventions and sanctions under Subchapter E, Chapter 39,
22 Education Code, as amended by this Act, to interventions and
23 sanctions under Subchapter G, Chapter 39, Education Code, as that
24 law existed prior to amendment by this Act.

25 SECTION 32. This Act takes effect immediately if it
26 receives a vote of two-thirds of all the members elected to each
27 house, as provided by Section 39, Article III, Texas Constitution.

C.S.H.B. No. 3

1 If this Act does not receive the vote necessary for immediate
2 effect, this Act takes effect September 1, 2009.